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W. Germany's Armed Forces Are Feared to Face Decline

By John Vinocur
New York Times Service

BONN — The West German armed forces, generally regarded as the strongest component in Western defense outside the United States, have entered a period of difficulty and possible decline, according to an official study prepared for Defense Minister Hans Apel.

The 100-page report on the West German military over the next 20 years was made 16 months ago by the ministry's planning staff but came to light only recently. It said that "additional data will not change the trends."

It warns that a web of financial, personnel and political problems has created circumstances in which it is increasingly questionable if West Germany can fully maintain over the next decades its commitments to NATO, its force levels and the advanced technological status of its fighting units.

For more than two decades after their creation in 1955, the armed forces seemed to reflect basic assumptions about the stability and economic strength of the young West German democracy. Now, as assumptions about the country's prosperity and the immutability of some of its institutions — the cities, the labor unions and the press — seem less certain, so do the standard, almost reflexive, views of the armed forces.

"I truly do not see us being seriously weakened in our ability to do our job," a general staff officer said recently. "But there is a change of incalculable significance. We talk now about minimum — the minimum allowable here, the minimum that we can get away with there. And that, indeed, is as basic as we can get before a weakening might come."

The official government attitude was offered last month by Mr. Apel as parliament approved a 1982 military budget that makes a decrease in real military spending

a virtual certainty. The armed forces, Mr. Apel said, have "serious problems."

The extent of the difficulties is subject to interpretation. These are some statements from the Defense Ministry study:

• "Developments that are already apparent today will make it difficult to maintain the high level of performance required for security policy."

• "The expectations of the alliance are now hardly realizable."

• "Real growth rates for the defense budget are not to be expected."

• "The NATO 3-percent goal [an increase in real spending of 3 percent a year] has no chance."

• "We are, in fact, not secured against all risks."

The report said that by the middle 1980s there will be a gap of \$5 billion between national planning and the money required for fulfilling NATO obligations.

New Money Shortages

The financial difficulties are not only a result of new money shortages due to lack of growth in the economy and continuing expansion of social costs, but are also a result of longer-term developments in which military spending lost out to other more politically palatable or seemingly urgent sectors of government involvement, such as development aid or social costs or servicing the national debt.

From 1961 to 1979, the national budget increased by 370 percent, but the military sector went up by 215 percent. In the 1970s, real growth in the national budget was 4.3 percent, and 2.1 percent in the military.

In this sense, the current military budget, which offers no real growth, is a continuation of a long-term tendency.

But new funds still could not compensate for the coming decades of personnel shortages.

Next year, the number of poten-

tial recruits for the conscript army will begin to sink as a result of a fall in the birth rate that accompanied the introduction of birth-control pills here a generation ago. By present standards, 252,000 recruits are needed yearly to fill all the open spots in the armed forces and complementary paramilitary organizations such as the national border patrol.

In 1988, the available pool will sink below 252,000 for the first time, falling in 1994 to a level where it is estimated that there will be a shortage of 109,000 recruits.

As the manpower pool begins to shrink, the number trying to avoid military service has grown, going from 45,000 in 1979 to 58,000 last year as the intensity of anti-nuclear sentiment grew among young people.

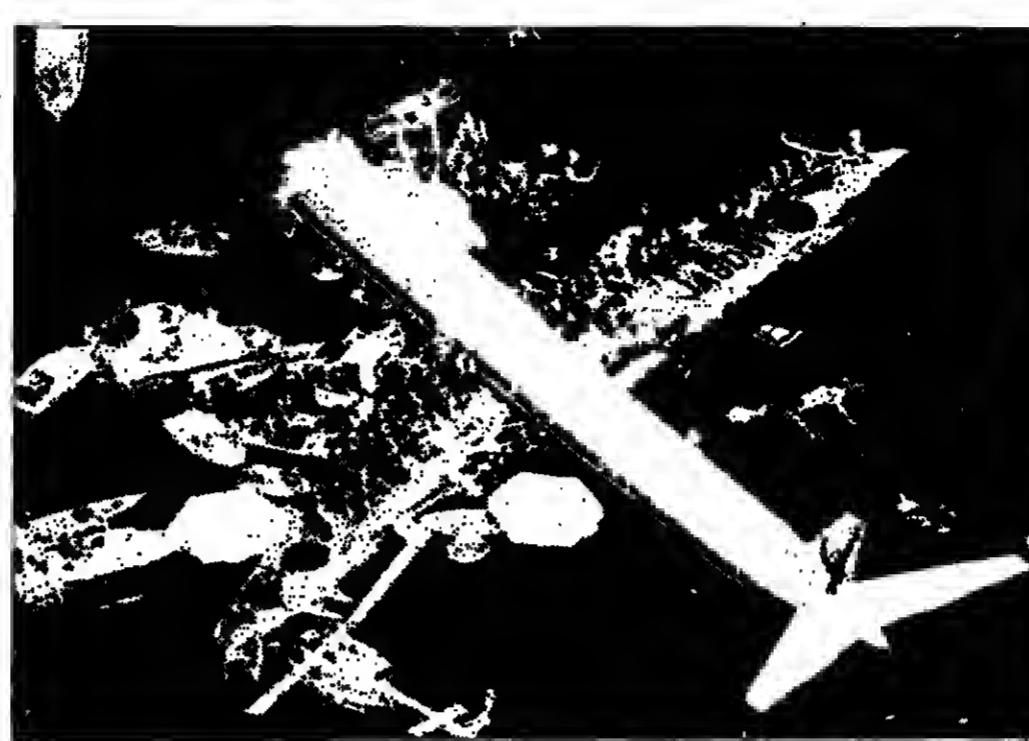
The political nature of the problem is underscored by Defense Ministry statistics that show that 60 percent of the conscientious objectors come from the 9.8 percent of the overall population that pass exams that allow them to enter universities.

The general staff officer who spoke of his concerns about "minimum thinking" said he was particularly disturbed by the high number in the developing intellectual elite who try to avoid military service. "There is a risk," he said, "that we will be confronted one day by a generation of opinion-molders that has no attachment to the forces."

The problems go further. Because of the virtual overnight creation of the armed forces in 1955 and 1956, promotions among officers have been uneven, creating a current bulge at the level of captain and major. As a result, in some areas of responsibility, the army is overaged, with men in their 40s serving as company commanders.

The report went so far as to say that the promotion problem "can

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Rescuers swarmed over the wings of the Japan Air Lines plane to remove survivors of the crash.

24 Killed, 150 Hurt In Tokyo Plane Crash

From Agency Dispatches

TOKYO — A Japan Air Lines DC-8 with 174 persons aboard crashed Tuesday in Tokyo Bay, 400 yards (400 meters) short of the runway at Haneda Airport, killing 24 passengers.

A police spokesman said that the other 150 passengers and crew members were rescued, but that 77 were hospitalized in serious condition and the rest were slightly injured.

Authorities said later that whatever caused the crash happened in the last 107 seconds of flight, but that they did not know the exact reason. They speculated that it could have been a malfunction in the steering gear or in the airport's instrument landing system, a sudden turbulence or pilot error.

The plane was proceeding in a normal descent after a flight from Fukuoka, in southwest Japan, and the pilot had acknowledged the control tower's final landing permission. "At that moment, the plane was about 200 feet in the air. The voice recorder, which along with the flight data recorder was recovered from the wreckage, showed that nothing was heard from the plane after that."

It was during the interval that, according to witnesses, the plane suddenly fell while maintaining a relatively level position, and dropped into water about three or four feet deep. It then bounced forward once, hit a 16-foot light pillar and split in two.

A passenger who suffered a back injury said that the landing approach appeared to be normal until about 10 seconds before the impact. "Then, the plane took a sudden dip," he said.

The plane's cockpit was broken off and settled half buried in the water beneath the fuselage of the largely undamaged rear two-thirds of the plane. Most of the seriously injured apparently were in the front of the aircraft.

Eight hours later, the last person aboard, a crew member, was rescued from the crumpled cockpit. All eight crew members survived but the pilot and co-pilot were seriously injured.

About 500 rescue workers converged on the plane, but rescue operations were hampered until 3,000 gallons of fuel were pumped out of the plane to lessen the danger of explosion.

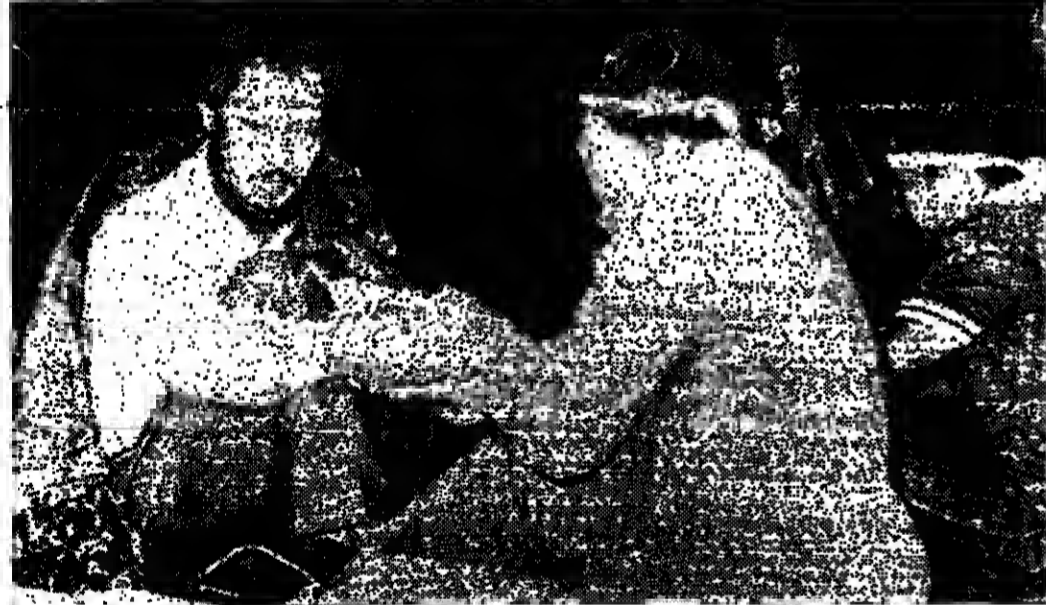
'A Huge Shock'

"The crash took place after we confirmed safety belts were tightened and we returned to our seats," stewardess Eriko Ito said afterward. "Then, several minutes passed. I think, and there was a huge shock."

Haneda Airport, built on reclaimed land about 15 miles (24 kilometers) from central Tokyo, has been used primarily for domestic flights since the new Tokyo International Airport opened in 1978 at Narita, 45 miles to the northeast.



Plane lies in Tokyo Bay just short of the airport's runway.



This photo, released by the Defense Ministry Tuesday in Manila, was taken Monday night as Tomas Manotoc was being released. He reportedly was held by Communist-backed outlaws.

Troops Free Marcos' Son-in-Law After Raiding Kidnappers' Hideout

United Press International

MANILA — Philippine troops stormed a mountain hideout of Communist-backed outlaws and rescued Tomas Manotoc, who was kidnapped Tuesday by President Ferdinand E. Marcos for his having been implicated in his abduction.

Mr. Manotoc, who secretly married the president's eldest daughter in the United States less than a month before his Dec. 29 kidnapping, made the apology at a nationally televised news conference after his rescue Monday.

"I understand that many names have been maligned and that your honor has been questioned," he said, reading from a letter to President Marcos. "This I would want to rectify for the sake of the country and the Filipino people you lead."

Mr. Manotoc, 32, looked pale and haggard following his rescue by government troops who raided the kidnappers' hideout in the Sierra Madre, 56 miles (90 kilometers) east of the capital.

The kidnappers managed to escape after a gun battle with special forces, Defense Minister Juan Ponce Enrile said. Official reports earlier said several of the kidnappers were killed in the battle.

Mr. Manotoc told the news conference he was kidnapped by five Communist guerrillas who kept him blindfolded much of the time but allowed him to read a book on the teachings of Mao.

He said the kidnapping occurred as he was driving home after dinner at a restaurant in a Manila suburb with his wife, Maria Imelda Marcos, 26.

Mr. Marcos denied the charge but said the marriage was not legal in the Philippines because Mr. Manotoc had been married previously. Mr. Manotoc was divorced in the Dominican Republic in October, but Philippine law does not permit divorces.

Mr. Manotoc's family received two ransom notes purportedly signed by him, demanding a \$2.5-

million ransom, the release of four top Communist guerrillas and amnesty for the kidnappers. The family had claimed the notes were fakes.

Information Minister Gregorio Cendana said the kidnappers apparently were criminals supported by the New People's Army, the military wing of the outlawed Communist Party.

U.S., Saudi Arabia to Establish Military Panel

From Agency Dispatches

MUSCAT, Oman — The United States and Saudi Arabia agreed Tuesday to establish a joint military committee, U.S. officials said.

U.S. Defense Secretary Caspar Weinberger announced the agreement with the Saudi defense minister, Prince Sultan bin Abdul Aziz, at a news conference that ended his three-day visit to Saudi Arabia. He then traveled to neighboring Oman, the second stop on a nine-day, three-country Middle East tour that ends in Jordan.

Agreement to establish the joint committee and on final arrangements for the sale of five Airborne Warning and Control System (AWACS) planes to Saudi Arabia came during eight hours of talks between Mr. Weinberger and Prince Sultan.

"We have agreed to establish and oversee a Saudi-U.S. joint committee for military projects

which will deal with military matters of interest to our two countries," Mr. Weinberger told reporters in Dhahran.

"I'm happy to say we have agreed on all the measures necessary for the sale of the AWACS to Saudi Arabia," he said.

The AWACS sale was approved by the U.S. Congress in October after a bitter debate.

Military Ties Played Down

While both men said they were pleased with the talks, Prince Sultan did not mention the military committee and appeared to play down military ties between the two countries, saying that a cooperative relationship was based not on "military endeavor" but on areas such as economics and technology.

The prince said he had urged the Reagan administration to take a strong stand against what he called "stupid action taken by Israel,"

apparently referring to Israel's annexation of the Golan Heights and the bombing of Iraq's nuclear reactor.

He called on the United States, "because it has stronger relations with Israel," to press for an end to such acts.

Mr. Weinberger said only that he had raised with the prince "the vital necessity of having the United States have warm, friendly relations with several countries in the Middle East and not confine our friendships to one country."

Closer Military Ties

The United States has been trying since 1974 to develop a "more formalized, structured relationship" with Saudi Arabia in dealing with the military threat to the kingdom, the officials said.

The joint military committee, which is similar to agreements the United States has with Morocco,

East Bloc Snags Madrid Bid to Discuss Poland

By John M. Goshko
Washington Post Service

MADRID — The Soviet-led Communist bloc countries, using a parliamentary maneuver, Tuesday temporarily blocked the efforts of several Western foreign ministers to use the conference on the Helsinki accords as a forum for discussing the military takeover in Poland.

The Communist filibustering tactic caused the meeting to break up in disagreement Tuesday night, with 13 countries prevented from making their statements and forced to wait until the next session scheduled for Friday.

However, the success of the Russians and Poles in disrupting Tuesday's session appeared to have handed the West an even greater propaganda advantage than would have been the case if the speeches had proceeded on schedule.

U.S. Secretary of State Alexander M. Haig Jr., one of the few who did get to speak, observed almost gleefully: "They are trying to evade the truth.... But they will hear the truth anyway, however much they wish to hide it."

Caustic Criticism

Polish Deputy Foreign Minister Jozef Wierzbicki, whose position as chairman of Tuesday's opening session was crucial to the delaying strategy, was singled out for especially caustic criticism by Max D. Kampelman, the chief U.S. delegate to the conference.

During a break in the hours of wrangling over procedural questions, Mr. Kampelman remarked, "The Polish chairman is behaving as if he is thoroughly accustomed to the way decisions are made in Poland under martial law."

Underlying the dispute was the decision made by the 15-nation North Atlantic Treaty Organization last month to have their foreign ministers speak out on Poland at Tuesday's resumption of the conference that has been assessing the current status of the 1975 Helsinki accords on security and cooperation in Europe.

The so-called Helsinki Final Act, signed by 33 European nations, plus the United States and Canada, is a nonbinding agreement that is regarded as especially important in Europe as a blueprint for regulating peaceful relations between East and West and guaranteeing the human rights of people in the signatory countries.

Tuesday's meeting began normally with speeches by nine representatives, including Mr. Haig, Mr. Wierzbicki, Soviet Deputy Foreign Minister Leonid I. Hrychov, West German Foreign Minister Hans-Dietrich Genscher, and Belgian Foreign Minister Leo Tindemans.

(Continued on Page 2, Col. 4)

Rostow Says Russia Bars Arms Control

New York Times Service

GENEVA — Eugene V. Rostow, head of the U.S. Arms Control and Disarmament Agency, told the UN Disarmament Committee here Tuesday that Soviet "expansionist policy" was responsible for the "eclipse of arms control."

Making his first appearance before the 40-nation committee, Mr. Rostow said that this long-standing arms forum could make a "powerful contribution to the cause of peace" by calling on all states to uphold the UN charter's ban on the threat or use of force in international relations.

Should this provision "become a dead letter, the quest for disarmament would be a quixotic and utopian activity," the U.S. official warned.

Mr. Rostow attributed what he termed the "declining influence" of the charter's interdiction on the use of force and the "corresponding eclipse of arms control" to the "expansionist policy of the Soviet Union and the extraordinary military build-up on which it is based."

Martial law had been declared in Poland, Mr. Rostow said, under the "compelling threat" of Soviet intervention in the Polish crisis in violation of the charter provision. This threat, he continued, was a "flagrant breach of the peace-in-one of the most sensitive and important strategic areas of world politics."

Mr. Rostow added, however, that despite the fact that international developments were not conducive to arms control the U.S. talks with the Soviet Union on land-based, intermediate-range nuclear missiles had begun in a "constructive atmosphere."

"Consideration is being given," he said, "to President Reagan's proposal to abolish all such weapons systems wherever located."

In his reply, the Soviet committee member, Viktor L. Issraelyan, rejected the charges of Soviet interference in Poland as a "complete fabrication from beginning to end."

Mr. Issraelyan accused the Reagan administration of a "negative attitude toward disarmament talks." The United States, he said, is seeking to achieve "military superiority" with a new arms program "without parallel."

On the issue of a comprehensive ban on nuclear weapons tests, Mr. Rostow said that "under present circumstances" Washington did not believe that such an interdiction "could help reduce the threat of nuclear weapons or to maintain the stability of the nuclear balance."

The negotiations between the United States, the Soviet Union and Britain on a comprehensive test ban have been in abeyance since President Reagan took office.

200,000 Chinese Officials Are Said To Face Dismissal or Factory Work

United Press International

PEKING — An indication of the size of Deng Xiaoping's purge of leftists, corrupt officials and bureaucrats surfaced Tuesday with a report that thousands of officials will be fired or sent to factories.

The pro-Peking Ta Kung Pao newspaper of Hong Kong reported that one-third of China's central government personnel, about 200,000 people, are to be eliminated through mergers of ministries and departments. The newspaper, considered a semi-official source of information because of its access to Chinese officials, said the "simplification" would cut the number of government units by half.

Mr. Deng, 77, who as deputy party chairman and head of the council that runs the military is China's most powerful leader, is seeking to streamline the bureaucracy and eliminate leftists opposed to his modernization goals.

Meanwhile, the Peking Daily newspaper reported the arrest of another Communist Party member, a factory official in Peking accused of participating in a kick-back scheme that cost the state \$65,000. More than 50 people have

been reported arrested or expelled from the party within the past 10 days.

"We are like swallows building our nests in a Socialist edifice," the newspaper said, whereas corrupt officials "are damaging this edifice like rats digging holes."

Provincial governments also are expected to be streamlined. Hubei province's party leader, Han Ning-hua, was quoted as saying that "rectification, reform and disposal" had begun in the province. "It is decided by the provincial party committee that one-third of the cadres in offices controlled directly by the provincial party committee and government will go to factories to gain firsthand experience," Mr. Han reportedly said.

Another sign of the possible scale of Mr. Deng's purge came in a radio broadcast from Hebei province, far to the north of Hubei.

He is reportedly concerned that bribery, smuggling, corruption, feasting and other common practices at the local level will keep China from the rapid economic progress that cost the state \$65,000. More than 50 people have

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INSIDE Campaign '82

President Reagan launched the 1982 political campaign with a three-state Midwest tour aimed at selling his "new federalism" and defusing growing opposition to his economic policies. He had a mixed reception in Minneapolis: among several hundred protesters was a placard reading: "Welcome President Hoover." Page 3.

Press Pressure

In Jerusalem, the director of Israel's Government Press Office charged that the Palestine Liberation Organization and Syria had attained some success in using terrorism against Western correspondents to influence their news organizations' reporting on the Middle East. Page 3.

Marthe Richard

In Paris, Marthe Richard, a hero in two world wars who led a successful postwar campaign to close French brothels but later suggested re-opening them, has died at 92. Page 5.

Major Increase in Aid for Turkey Reported to Be Sought by Reagan

By Don Oberdorfer
Washington Post Service

WASHINGTON — The Reagan administration plans to propose a major increase in aid to the martial law government in Turkey, sources said.

Final details of the proposal for fiscal 1983 aid to Turkey, which may include an increase of nearly \$100 million, have not yet been presented to Congress, the sources said. In fiscal 1982, U.S. economic aid to Turkey is to total about \$300 million and military aid \$402 million, U.S. officials said.

Any large increase in support for Turkey is likely to create controversy in Congress and among American allies in Europe.

Longstanding Complications

U.S. aid to Turkey has long been complicated by objections from Greek-Americans and others who oppose Turkey's actions in Cyprus. Congress barred arms shipments to Turkey after its invasion of Cyprus in 1974, and the embargo was maintained until October, 1978.

Largely because of congressional

pressure, the amount of arms aid for Turkey in the past several years has been tied to that for Greece.

In the Reagan administration, however, relations with Turkey have been warmer than those with Greece. The administration has praised the "law-and-order" achievements of the Turkish regime of Gen. Kenan Evren, who took over in a military coup in September, 1980. Secretary of Defense Caspar W. Weinberger visited Ankara last December. Secretary of State Alexander M. Haig Jr. scheduled a similar visit, but it was postponed after martial law was proclaimed in Poland.

U.S. relations with Greece have cooled since the election of Andreas Papandreu last October as that country's first Socialist premier. Mr. Papandreu has declared that he wants to negotiate the closing of American military bases in Greece and has objected to U.S. efforts to blame the Soviet Union for martial law in Poland.

After the Turkish government imprisoned a former premier, Bulent Ecevit, on political charges last December, the European Eco-

nomic Community suspended aid payments to Turkey. Mr. Ecevit was released early this month, but the aid has not yet resumed.

The U.S. State Department has argued that it is not inconsistent to campaign against martial law in Poland while aiding and approving martial law in Turkey. Calling the two regimes fundamentally different, a State Department spokesman said the Turkish military's decision was made "in a deteriorating climate that was threatening democratic values and was supported by virtually all segments of Turkish society."

The department's human rights report, sent to Congress last week-end, said that terrorism has been reduced under Turkey's martial law government but that "political freedom has been curtailed."

A proposal for an increase in economic and military aid for Turkey is being prepared for presentation to Congress within a few days, sources said. The Pentagon is reported to have pushed hard for increased aid values and was supported by Turkey's largely obsolete supply of military equipment.

French Ministers Defend Policies For Industry, Economy as Viable

By Joseph Fitchett
and Axel Krause
International Herald Tribune

PARIS — An international business audience expressed doubts about the emerging industrial policies of France's Socialist government, but several Cabinet ministers said their plans will eventually promote new industries — including foreign investments — in France.

New incentives for investment were disclosed by French officials speaking at a business conference attended by about 300 executives and organized in Paris by the International Herald Tribune.

Despite these government reassurances, many questions on the last day of the two-day conference, reflected skepticism about the Socialist government's chances of changing the investment outlook in France.

Recurrent questions challenged the government's ability to resist pressure for more bureaucratic controls, notably in nationalized industries, exchange controls, high taxes, mounting social charges and more concessions to trade unions.

"Without Privileges" But officials said nationalized industry in France will not only compete commercially — "without privileges of any kind," a minister said — but will help the French economy become more innovative.

"We aim at efficiency, not constant interventionism, at being competitive, not at frightened government protectionism," Industry Minister Pierre Dreyfus said.

Responding to a businessman's question, he said nationalized industries will be encouraged to form partnerships with foreign companies.

New incentives disclosed by Bernard Attali, head of DATAR, the government regional development agency, included a doubling of the government budget for subsidies for approved industrial investments. Companies will be able to obtain up to 50,000 francs (about \$8,200) for every new job created by an investment — double the previous rate.

Government subsidies could go higher, he said, for three kinds of investments: new types of industry in crisis-stricken regions, high-technology firms and major corporations planning ventures costing at least 25 million francs.

Previous Policy The ministers' emphasis on innovating in industry, many participants noted, had overcome the previous government's commitment to enhancing France's ability to compete internationally.

But Socialist ministers said they have no intention of cutting back on social welfare programs or accepting significantly higher unemployment as the price of attracting investment and stimulating industrial innovation.

Iran Rebel Chief in France Says Son Was Probably Slain in Tehran Attack

The Associated Press
AUVERS-SUR-ORSE, France — The leader of an Iranian guerrilla movement opposed to Ayatollah Ruhollah Khomeini said Tuesday that his infant son probably was slain along with his wife and a top commander of the group during an attack north of Tehran.

Speaking in his heavily guarded exile just north of Paris, Mujahidin-e-Khalq leader Massoud Rajavi vowed his resistance struggle would continue despite the assault Monday that killed a number of his followers.

"This will not bring about the end of Mujahidin nor the end of

"France's painful social history makes it impossible for the government to modernize at the expense of wage-earners," Michel Rocard, the minister of planning and regional development, said.

"We must achieve a new French social consensus, together with the income redistribution and the automation, that will allow France to emerge from the present world crisis in a strengthened position," according to Jacques Attali, special counselor to President Francois Mitterrand.

Objecting to the high business costs of new government plans, executives with business in France from the United States, Western Europe and Japan, cited the shortened workweek of 39 hours, which a European manager head said would increase his wage bill by nearly 2 percent.

The business tax is scheduled to quadruple this year in comparison to 1980, noted Rudolph Boniface, head of Ford-France, adding that even government officials acknowledged it was a poor tax. Ford's 1.2 billion-franc plant expansion in Bordeaux last year is the largest outside investment in France since the Socialist electoral victory last spring.

"Many key questions about the future of operating conditions in France are still unanswered, but

the ministers were certainly trying," the head of a U.S. multinational company said.

While reaffirming the government's belief that France can surmount its economic stagnation without cutting back on social welfare, National Solidarity Minister Nicole Questiaux said many emergency measures — notably artificial job-creation devices — were not intended to become a permanent part of France's social protection programs.

As an example of government thinking about how to keep social charges from stifling investment, she cited tentative plans to fund additional welfare costs from the national budget rather than by higher payroll levies.

Mr. Rocard stressed that the government intends gradually to repeal many current restrictions — imposed to prevent capital flight — and encourage "initiative and risk-taking" if business confidence revives.

Industries singled out by Mr. Dreyfus for government emphasis included electronics, pharmaceuticals and bio-engineering.

But he and other officials stressed that they also intended to preserve traditional industries including machine tools and textiles — in contrast to the previous government's heavy emphasis on high-technology sectors.

Bonn Accepts a Plan to Support U.S. Troops During Crisis or War

By John Vinocur
New York Times Service

BONN — After more than two years of negotiations, the United States and West Germany have agreed to a program aimed at increasing the effectiveness of American units that would be flown here at a time of crisis or war. The unsigned agreement is now in draft form.

The agreement on Host Nation Support provides for the activation of 90,000 West German reservists to back up the "six armored, mechanized and infantry divisions and associated flying squadrons" that would be sent here to reinforce the four U.S. divisions and Air Force squadrons stationed in West Germany.

A draft text of the document was circulated Monday among members of parliament in preparation for its discussion on Wednesday by the Bundestag's Defense Commission.

The significance of the plan lies in that it effectively turns over logistical tasks that would normally have to be accomplished by American units to the responsibility of the West German armed forces. This would allow the Americans to concentrate on providing combat troops in the reinforcement plan.

The agreement provides for both

West German military and civilian support. The military tasks include security measures at U.S. Air Force facilities, logistical support at these bases, airfield repair, transport, transshipment and resupply services, evacuation of casualties, handling of prisoners of war and decontamination of personnel and equipment. The civilian assignments largely involve transport and maintenance.

In a letter to the commission, Defense Minister Hans Apel estimated the cost of setting up the

program, including some construction of storage facilities, would be \$235 million, to be paid equally by the two countries over a seven-year period. He said the annual operational costs thereafter would be in the order of \$24 million a year.

The program would be staffed by 1,200 West German troops in peace time. When the approximately 90,000 reservists needed for the plan would come from is not fully clear, and it appears to be a potential element of some political difficulty.

brigades from 33 to 36, has given units three times as many anti-tank weapons and involved the creation of an anti-tank helicopter regiment.

By Mr. Apel's definition, "our armed forces are well trained, well equipped, highly motivated and have modern equipment. The conclusion remains, it's one of the best armies in the world."

If this evaluation continues to receive wide support, it is also no longer regarded as a matter of course, an unvarying factor in the East-West power balance. All the evidence is that pressures working against the maintenance of the armed forces' strength will continue to grow, and that they can be kept at the U.S. Embassy threat level for a long time.

However, it was not known what Mr. Odzowski's hopes were based on, or whether they were shared by the entire Polish leadership.

Mr. Odzowski, quoting "reliable Catholic sources," said that Walesa had held talks with Roman Catholic Church leaders and with martial law authorities during his detention.

He did not say where Mr. Walesa was being held.

Another minister said the government was re-examining the right of unions to strike, one of the main gains of Polish workers following national stoppages in 1980.

Justice Minister Sylwester Zawadzki, in an interview with the Polish news agency PAP, said the government was working on a program to shape the legal foundations of "Socialist renewal," the official term for the reform program set in motion by the strikes.

However, the minister said that a draft trade union bill required more adjustments to cover such questions as preventing unions from becoming political parties, and union activity among civil servants.

One of the main charges laid against Solidarity by the Communist authorities was that it exceeded its statutes by becoming a political organization.

"The issue of strike also requires some rethinking," Mr. Zawadzki was quoted as saying. "The point is to create legal guarantees against the possibility of abusing this right against transforming it into an instrument of strike terrorism."

Agreements between Polish workers and the government in August, 1980, were the first in an East-bloc country giving unions the right to strike, a right subsequently exercised on several occasions.

Meantime, a former employee of the Foreign Ministry went on trial here on charges of spying for the U.S. Central Intelligence Agency, PAP reported. It said Bogdan Zenon Walawski was recruited by the CIA during a stay in Saigon to collect information about the political and economic situation con-



Soviet delegate Leonid Ilyichev made V-sign with Polish official Jozef Wlajaz at his side at Madrid conference Tuesday after receiving harsh criticism for the military crackdown in Poland.

East Bloc Snags Madrid Effort on Poland

(Continued from Page 1)
who spoke on behalf of the 10-nation European Economic Community.

Then, Mr. Wlajaz, who was

presiding under the conference's system of rotating the chairmanship of each session alphabetically, announced he was adjourning the meeting because of an earlier agreement to hold only a morning session.

That drew an immediate objection from the next scheduled speaker, French Foreign Minister Claude Cheysson, and other Western delegates who pointed out that customary procedure has been to accommodate all who had signified their intention to speak.

However, under the rules of the conference, all decisions are made not by majority vote but by unanimous consent. That touched off a stalemate.

In his speech, and at a subsequent news conference, Mr. Haig accused the Polish authorities of violating the Helsinki accords' provisions on the right of people "to choose and develop their political, social, economic and cultural systems" and to be safe in their pursuit of basic human rights. He further charged that "through intimidation and interference, the Soviet Union has conspired with the Polish military authorities to deprive Poland of these basic rights."

He also repeated the offer, made by President Reagan on Dec. 23, "to join other concerned countries in offering a major program to help Poland overcome its economic problems...when the basic rights of the Polish people are restored."

"We will not aid tyranny," Mr. Haig asserted. "But if tyranny stands aside, we are ready to help."

Polish Official 'Hopes' Walesa Is Freed Soon

From Agency Dispatches
WARSAW — A senior Polish official said Tuesday he hopes the Solidarity leader Lech Walesa will soon be freed from nearly two months' detention.

Deputy Premier Jerzy Odzowski said in an interview with the Associated Press that he is convinced that Mr. Walesa bore no responsibility for the uncontrolled activities of the union in the weeks up to Dec. 13.

Mr. Odzowski indicated there was thus no reason for martial law authorities to hold Mr. Walesa much longer. "I hope that Walesa is soon a free man again," Mr. Odzowski said.

However, it was not known what Mr. Odzowski's hopes were based on, or whether they were shared by the entire Polish leadership.

Strike Right Re-examined Mr. Odzowski, quoting "reliable Catholic sources," said that Walesa had held talks with Roman Catholic Church leaders and with martial law authorities during his detention.

He did not say where Mr. Walesa was being held.

Another minister said the government was re-examining the right of unions to strike, one of the main gains of Polish workers following national stoppages in 1980.

Justice Minister Sylwester Zawadzki, in an interview with the Polish news agency PAP, said the government was working on a program to shape the legal foundations of "Socialist renewal," the official term for the reform program set in motion by the strikes.

However, the minister said that a draft trade union bill required more adjustments to cover such questions as preventing unions from becoming political parties, and union activity among civil servants.

One of the main charges laid against Solidarity by the Communist authorities was that it exceeded its statutes by becoming a political organization.

"The issue of strike also requires some rethinking," Mr. Zawadzki was quoted as saying. "The point is to create legal guarantees against the possibility of abusing this right against transforming it into an instrument of strike terrorism."

Agreements between Polish workers and the government in August, 1980, were the first in an East-bloc country giving unions the right to strike, a right subsequently exercised on several occasions.

Meantime, a former employee of the Foreign Ministry went on trial here on charges of spying for the U.S. Central Intelligence Agency, PAP reported. It said Bogdan Zenon Walawski was recruited by the CIA during a stay in Saigon to collect information about the political and economic situation con-

Reagan Gets Plea Over Taiwan Jets

United Press International
WASHINGTON — Fifty-two House members, led by Republicans, have asked President Reagan to reconsider the decision not to sell advanced intermediate jet fighters to Taiwan.

"The peaceful future of Taiwan hangs in the balance, as well as the protection of our own security interests in the region and our credibility worldwide," the group said in a letter to Mr. Reagan Monday.

The letter was signed, among others, by Republican Reps. Jack Kemp of New York, Edward J. Derwinski of Illinois and William L. Dickinson of Alabama.

WORLD NEWS BRIEFS

Strike Again Halts British Trains

The Associated Press
LONDON — Britain's rail system was paralyzed for the ninth time in four weeks Tuesday by a 24-hour strike by engineers, although one engineer showed up for work, allowing limited service along a few miles of track in northern England.

The engineers have said the strikes will continue until British Rail produces a 3-percent pay increase. BR refuses unless the engineers agree to a more flexible work schedule.

Police said the main highways into London were clogged by 6 a.m. and emergency parking lots filled before sunrise. The commuter rush began before 5 a.m., earlier than on previous strike days.

Nixon Loses Appeal on Tapes Release

United Press International
WASHINGTON — A U.S. appeals court ruled Tuesday that the government may release some 6,000 hours of Oval Office recordings taped secretly by Richard M. Nixon.

The decision was a defeat for the former president, who has waged a lengthy legal challenge to the plan of the General Service Administration to release the tapes at 11 regional listening centers across the nation.

The ruling by the U.S. Court of Appeals for the District of Columbia upheld a U.S. district judge's decision making the tapes public would not violate Mr. Nixon's rights of privacy. "We find that Mr. Nixon's constitutional challenges unavailing," the three-judge panel said in a unanimous decision that Mr. Nixon's lawyers are expected to appeal to the Supreme Court.

Carrington Backs Cambodia Coalition

United Press International
SINGAPORE — British Foreign Secretary Lord Carrington, completing a two-week tour of southeast Asia, said Tuesday there was still hope for a loose coalition of Cambodian guerrilla groups against the occupying Vietnamese Army.

Lord Carrington said that the Association of Southeast Asian Nations — Indonesia, Malaysia, the Philippines, Singapore and Thailand — still backed the plan despite its recent rejection by the Khmer Rouge guerrillas. He said he had spoken to all five ASEAN leaders on his tour and "I don't think anyone has given up hope of getting the loose coalition off the ground."

He said the coalition was the right way to get the emergence of a "third force" in Cambodia which was neither pro-Chinese, nor pro-Vietnamese. He noted that the pro-Chinese Khmer Rouge were "the ones who are fighting the Vietnamese" but said that, if they refused to join the coalition with non-Communist groups, the Khmer Rouge could be abandoned.

Africans Consult Algeria on Sahara

Reuters
NATROBI — African states seeking to break a deadlock over their Western Sahara peace plan Tuesday consulted Algeria, the main backer of the Polisario guerrillas fighting Morocco for the territory's independence.

An Organization of African Unity committee also held talks with Mauritania, which jointly ruled the former Spanish colony with Morocco before pulling out in 1979.

The talks bogged down Monday night when Morocco, which administers the territory, reiterated its refusal to negotiate a cease-fire and referendum on the territory's future with the guerrillas. Delegates said they saw little chance of compromise.

U.S. Unit Asks Easing Of DNA Research Bars

By Harold M. Schmeck Jr.
New York Times Service

BETHESDA, Md. — The chief federal advisory committee on gene-splicing policy recommended Monday that safety guidelines governing that field of research be relaxed but retained from a proposal it adopted last fall that would have changed the guidelines to a wholly voluntary code of good laboratory practice.

The guidelines set safety rules for use in the field known to scientists as recombinant DNA technology. The rules are binding on everyone doing such research with federal support and will continue to be binding under the new recommendations. They are not binding on industry, but most companies abide by them voluntarily.

Some local governments have made adherence to the guidelines a condition for use of the techniques in their communities.

Major revision of the safety guidelines had been under discussion since last April by the committee, which is the National Science Foundation's Recombinant DNA Advisory Committee. Its membership includes scientists and laymen in other fields, including law and ethics. In the past, most of its recommendations have been accepted and have become government policy.

The committee adopted its recommendations Monday by a 17-3 vote.

Under the policy recommended, no recombinant DNA experiments would be prohibited. Instead there would be cautionary admonitions against doing two types of experiments presently prohibited under the guidelines. One type involves the insertion of genes for drug resistance into microbes that do not naturally acquire such resistance.

The other involves giving microbes the ability to manufacture any of several lethal poisons.

A third prohibition that would be dropped is that against deliberate release into the environment of organisms that had been altered genetically through gene-splicing techniques.

The safety rules were established by the National Institute of Health in 1976, a time of intense and often bitter national debate over the potential hazards and propriety of the research. The stringencies of the original guide-

lines have been relaxed repeatedly in later revisions of the rules.

The work is often called "gene-splicing" because the research techniques allow the universal genetic material DNA (deoxyribonucleic acid) to be cut, spliced and recombined in novel ways and then inserted into living cells. Experiments have shown that DNA of widely varying species, including human, can be grown in bacteria.

In principle, they have shown as well that genes can be transplanted across distant species lines. These capabilities caused many to fear that the research might generate new and dangerous disease-causing organisms and upset patterns established through billions of years of evolution.

Proponents of the work predicted that important new insights into the nature of life and valuable new products would be produced through the research.

Over the years no known hazards have materialized, but several potentially valuable medical products have been produced through gene-splicing techniques. A new multimillion-dollar industry has begun to develop in an atmosphere of considerable enthusiasm in the world of finance and business. No product is yet on the market, however.

If the recommendations voted Monday are accepted by the National Science Foundation, the guidelines would no longer be mandatory, but would still presumably have some influence as a code of laboratory practice recommended by experts in the field.

Laker Exploring Practicability of a 'People's' Airline

The Associated Press
LONDON — As creditors began selling off portions of Sir Freddie Laker's airline business, the pioneer of cheap transatlantic fares announced that he was considering a new "people's" airline, to be launched with the help of millions of pounds contributed by Britons after Laker Airways folded last week.

A statement issued by Sir Freddie said he was "actively exploring a new airline project, and the future plans include public participation in the 'people's' airline."

The statement said Sir Freddie was "deeply grateful for [the] enormous public support" he had received and would soon provide details on "how the public may participate on a proper basis" in a new airline. "I do not know as yet what support I would require, and because of that I would ask that no further contribution be sent in for the time being," he said.

A spokesman for Britain's Civil Aviation Authority said any application from Sir Freddie would be considered very carefully.

A spokesman for British Airways said he was not surprised to see Laker fighting back. "Nobody who knew anything about Sir Freddie believed he would go under indefinitely," he said.

Senate Backs Eagleburger
WASHINGTON — The U.S. Senate Foreign Relations Committee Tuesday approved President Reagan's choice of Lawrence S. Eagleburger to be undersecretary of state for political affairs.

Mr. Sharon was rated dropped by 8 percentage points.

Of 301 adults surveyed in late January, 41.5 percent said Mr. Begin was the person best suited to be prime minister, down from 45.1 percent, according to a poll by the Modi'in Ezrachi research institute. Second was former Prime Minister Yitzhak Rabin, with 12.8 percent, and third was Labor Party leader Shimon Peres, with 7.4 percent.

Mr. Sharon was rated as best suited for the defense post by 41.5 percent of those polled, down from 49.5 percent. Former Defense Minister Ezer Weizman polled 10.7 percent for his old position.

U.S. Arms Agency Nominee
WASHINGTON — President Reagan said Tuesday he will nominate Robert Thaddeus Grey Jr., a State Department official, to be deputy director of the U.S. Arms Control and Disarmament Agency.

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Reagan, on Campaign Swing, Defends Budget

Democrats' Calls for Cuts Assailed as Demagoguery

By Lou Cannon

Washington Post Service

MINNEAPOLIS — President Reagan has launched the 1982 political campaign with a three-state Midwest tour aimed at selling his "new federalism" program and defusing the growing opposition to administration economic policies.

Mr. Reagan began his two-day tour Monday with a vigorous defense of his "new federalism" budget at a fund-raising reception for Sen. David F. Durenberger, Republican of Minnesota, who is seeking re-election to a second term.

His campaign kickoff got a mixed reception, however. The presidential motorcade was greeted by several hundred demonstrators waving anti-administration placards, one of which read, "Welcome President Hoover."

Unemployment Called 'Cruel'

In his speech here to about 1,500 Republican contributors, the president acknowledged that unemployment had increased, saying that it was the "cruellest thing that can happen to people... who want to work and can't find work."

But the president staunchly defended his economic policies, saying they had already reduced inflation and interest rates and that they would spur a strong economic recovery if given a chance to succeed.

Mr. Reagan denounced as demagoguery calls by Democrats for a reduction in the military budget or a postponement of the tax cuts enacted last year. The president said the tax cuts are necessary for economic revival and that military spending would be needed until the mid-1980s to match increases in the Soviet military budget.

The purpose of the president's

trip, according to an aide, is threefold. First, the president hopes to generate enthusiasm for his federalism plan in speeches to the Iowa and Indiana legislatures on Tuesday. Second, he intends to meet with local newspaper and television executives and editors in Minneapolis, Des Moines, Iowa, and Indianapolis, in a series of private sessions and interviews that one adviser said will "avoid the filter of the national press."

Third, Mr. Reagan wants to demonstrate, as he did here in pep talks to a \$500-a-plate dinner and a \$15-a-head reception, that he does not intend to abandon Republican candidates, many of whom face difficult re-election battles in 1982 because of his economic policies.

Sen. Durenberger, however, does not appear to be one of those in trouble. Republican polls show him to be an overwhelming choice for re-election, and the president's early appearance here was mainly for fund raising. Similar trips and speeches are planned in the near future on behalf of supposedly safe incumbent Republican senators in New Mexico, Wyoming and Utah.

Mr. Reagan's defense of the budget is designed to show, as one aide put it, that "we're not trying to hide behind federalism." The view of White House senior advisers is that Mr. Reagan's call for additional budget cuts is more popular outside of Washington and that Americans will respond to Mr. Reagan's personal appeal for his program.

The early political forays by the president to defend his policies are intended to show the flag to Republicans who are becoming increasingly disenchanted by mounting unemployment and concern over renewed high interest rates.



President Reagan, on a political swing through the Middle West, defended his new budget in a speech in Bloomington, Minn. Mr. Reagan said the safety net for social programs is "still there."

Bipartisan Coalition May Fight Budget

By Jack Nelson

Los Angeles Times Service

WASHINGTON — Sen. Robert Dole, a Kansas Republican, has said he may form a coalition of Republicans and Democrats to try to persuade President Reagan to accept major changes in his budget proposal.

Sen. Dole, chairman of the Senate Finance Committee, made his surprise proposal Monday amid signs of growing unhappiness with the budget proposal in the Republican Party.

The discontent focuses on the combination of record increases in defense spending and huge deficits at a time of high interest rates and recession.

David A. Stockman, the budget director, and Treasury Secretary Donald T. Regan met with Republican senators Monday to explain the president's plan and urge senators to study it further before deciding whether to oppose it.

But Sen. Dan Quayle, an Indiana Republican and a member of the Budget Committee, said after the meeting, "There are not the votes in committee or on the floor for this budget."

"We have a \$100-billion increase for defense over three years as we're cutting social programs. That's totally unacceptable," Sen. Quayle said.

Sen. Malcolm Wallop, a Wyoming Republican, said, "I don't think anybody likes the budget. The deficits are very distracting." And Sen. Rudy Boschwitz, a Republican from Minnesota, said he would support cuts in defense and oppose major reductions in social programs because the Reagan budget "does not follow a path toward balance in the foreseeable future."

Mr. Reagan has stuck to his program despite advice from Sen. Dole and other Republicans who say new tax measures and a trimming of the defense budget are needed to reduce the deficits and bring down interest rates. But Sen. Dole said he was testing support among Democrats and Republicans for a joint effort to present an alternative program.

"There seems to be a consensus growing among Republicans that we will have to do something about cutting on the defense side," Sen. Dole said in an interview. "There is talk about cutting \$10 billion out of the \$33-billion increase" proposed for fiscal 1983.

Unless Republicans decide they can live with a \$91.6-billion deficit in fiscal 1983, Sen. Dole said, "we will have to cut something, and defense is a big target."

Energy Tax Suggested

The Senate Budget Committee's chairman, Pete V. Domenici, Republican of New Mexico, and the House Budget Committee's chairman, James R. Jones, an Oklahoma Democrat, also have suggested that a Republican-Democratic coalition might propose an alternative. But Sen. Dole's proposal was more specific.

Nothing that Mr. Reagan's three-year, 25-percent tax cut will cost up to \$750 billion in revenue over five years, Sen. Dole said Congress may have been too generous in some areas, especially tax breaks for oil companies.

He suggested that Congress may want to impose a temporary tax on coal, nuclear energy, gas and oil to help reduce the deficit.

Sen. Dole also hinted that Republicans in Congress have rubber-stamped too much of Mr. Reagan's program.

Nonetheless, Senate Majority Leader Howard H. Baker, a Tennessee Republican, said, "I think that the president's budget, perhaps with some modifications, is going to be passed."

Meanwhile, House Speaker Thomas P. O'Neill Jr., Democrat of Massachusetts, after visiting Mr. Reagan Monday, said Democrats would offer alternatives to the president's budget proposals.

Top Reagan Aides Question Plans for 'New Federalism'

By Robert Pear

New York Times Service

WASHINGTON — At least two Cabinet members have privately expressed misgivings about President Reagan's "new federalism," possibly reducing the chances for congressional approval.

For different reasons, Richard S. Schweiker, secretary of health and human services, and Drew Lewis, secretary of transportation, have raised questions about the proposal to realign federal and state responsibilities for welfare, Medicaid, transportation, education and other programs.

Mr. Schweiker's concerns focus on the administrative complexity of the proposal, federal officials said, while Mr. Lewis is concerned about the way it would be financed, from the existing tax on gasoline and other products.

Several high-ranking officials who share Mr. Reagan's conservative views on welfare policy resisted the move for a federal takeover of Medicaid, which provides medical assistance for poor people.

In an interview Monday, Robert B. Carleson, a White House aide specializing in welfare policy, said he and David B. Swapp, the under-secretary of health and human services, were "not enthusiastic" about the Medicaid proposal.

Senior officials at the White House, the Department of Transportation and the Department of Health and Human Services confirmed that Mr. Schweiker and Mr. Lewis had raised their concerns in Cabinet discussions of the proposal.

Education Secretary T.H. Bell said he was worried about the large number of federal education programs that would have been transferred to the states under some of the preliminary proposals, officials said. But he was reported satisfied with the proposal announced by Mr. Reagan last month.

Mr. Schweiker and Mr. Lewis, like the heads of other Cabinet departments, were largely excluded from developing the proposal, which calls for federal assumption of all Medicaid costs in exchange for the states taking over welfare, food stamps and more than 40 federal grant programs.

The Department of Health and Human Services is now responsible for Medicaid, welfare and one-third of the federal grant programs that would be transferred.

Mr. Schweiker, according to an official familiar with his thinking, was concerned that the mechanics of this proposal and the various ramifications had not been explored in sufficient detail.

The official refused to permit use of his name, saying he did not want to be chastised for publicizing dissent within the administration. The official emphasized that Mr. Schweiker, as a "team player," now supports the president's decision.

A White House official said he understood Mr. Schweiker was "a little bit piqued" at having been excluded from the deliberations. "It doesn't take long before Cabinet officers become captive to their constituencies," the official said.

To help states pay for their own responsibilities, Mr. Reagan proposed to establish a "federalism trust fund" that would take half the revenue now raised by the federal excise tax on gasoline.

Mr. Lewis had recommended that the tax, now 4 cents a gallon, be increased to 9 cents to raise billions of dollars for the Highway Trust Fund, which has incurred deficits in the last two years.

In a 5-2 decision, the court said Monday that adults-only rental policies violate California law forbidding discrimination. The court said, "A society that sanctions wholesale discrimination against its children in obtaining housing engages in suspect activity."

An attorney for the family that initiated the case said he believed it was unlikely there were sufficient grounds for an appeal to federal courts because previous rulings have eliminated constitutional provisions landlords might use.

In a December letter to David A. Stockman, director of the Office of Management and Budget, Mr. Lewis said there was an urgent need to replenish the highway fund so the federal government could repair roads and bridges and pursue other highway projects.

As originally conceived, new federalism was to have included additional excise taxes, but Mr. Reagan rejected that part of the package.

Mr. Schweiker correctly anticipated that governors, mayors and members of Congress would pepper the administration with questions about the proposed new Medicaid program.

Mr. Stockman could not answer some of the questions when he testified last Thursday before the Senate Committee on Governmental Affairs. He said most states would profit from federal assumption of Medicaid costs, but he acknowledged that the proposal might lead to a net loss of federal money for some states after 1987.

Israel Raises Prices 12%

United Press International

TEL AVIV — Israel raised prices of consumer goods Tuesday by an average of 12 percent. The increase followed a Treasury decision to cut back subsidies on basic commodities. The subsidies had kept prices down.

Habib Plans New Effort In Mideast

U.S. Fears a Renewal Of Lebanon Fighting

By Oswald Johnston

Los Angeles Times Service

WASHINGTON — The Reagan administration is preparing to reactivate special envoy Philip C. Habib's peace mission to the Mideast because of concern that the military resupply of Palestinian forces in Lebanon will lead to renewal of warfare across Israel's northern border.

Assistant Secretary of State Nicholas A. Velites told a House Foreign Affairs subcommittee Monday that Mr. Habib will be briefed in Washington next week on the current Lebanese situation and probably will visit Lebanon, Israel and Syria later this month. He was last in the region in December.

Mr. Velites said recent reports of the shipment of direct arms supplies from the Soviet Union to Palestinian forces "have the ring of authenticity."

Israel reinforced its northern defenses when it annexed the Golan Heights in December and has issued periodic warnings of massive retaliation against any Palestinian attack. The administration fears renewed fighting in Lebanon could derail the Egyptian-Israeli peace treaty and the return of the Sinai to Egypt. Mr. Velites said both sides have been warned against "dangerous adventures."

In another development, Mr. Velites confirmed reports that the United States, which 18 months ago closed its last military facility in Morocco, is now seeking access to several of them again for the Middle East Rapid Deployment Force.

Perry Criticizes Israel

WASHINGTON (AP) — Sen. Charles H. Percy, Republican of Illinois, said Monday that Israel is hurting chances for a lasting Mideast peace by "surprising... preemptive acts" that appear to be "violations of international norms."

In a speech to the National Press Club following a 14-nation Mideast trip, Sen. Percy said: "Israel cannot expect the United States to continue isolating itself from the world community to defend questionable or objectionable actions and policies."

"The Israelis must stop surprising the international community and the United States with preemptive acts that are viewed by the community of nations as violations of international norms, harmful to U.S. interests and damaging to the peace process."

Israeli Accuses Media Of Bowing to Terror

By David K. Shipler

New York Times Service

JERUSALEM — The director of Israel's Government Press Office, Zev Chafets, charged Tuesday that the Palestine Liberation Organization and Syria had successfully used terrorism against American and European correspondents to influence their news organizations' reporting on the Middle East.

Speaking in an hour-long interview, Mr. Chafets, who is close to Prime Minister Menachem Begin, gave several examples of what he termed the effectiveness of the intimidation, especially in Beirut, where correspondents in recent years have been assassinated, detained and threatened by Palestinian gunmen.

As a result, he said, some negative reporting on Syria and the PLO had been suppressed, and Israel's image in the media had suffered.

Mr. Chafets, who is American-born and has close friendships with many foreign correspondents in Jerusalem, made explicit criticisms of The New York Times, The Washington Post, The British Broadcasting Corp. and ABC-TV.

"I don't think that it's always, or even usually, the newsmen on the spot who are necessarily intimidated," he said, "although they have every right to be afraid as well."

Protecting Correspondents

"But very often organizations acting in the interest of their personnel, which is legitimate, make decisions not to publish a certain thing because it would get somebody in trouble, or get somebody shot at, or to publish or to broadcast a certain item to appease the PLO, in order to create a situation in which their correspondent and personnel would be safe and welcome in a city where the relations with journalists are run very often through physical intimidation," he added. The city he referred to was Beirut.

He took as his prime case what he described as a dramatic shift in the approach of ABC News after the murder last July of its part-

time reporter in Beirut, Sean Toole. He was shot and stabbed on a street after ABC-TV broadcast a special report by newsmen Gerald Rivera on Palestinian terrorism, "a piece which pointed out that Palestinian terrorism threatens Israel, threatens Lebanon and threatens stability throughout the world," Mr. Chafets said.

"ABC, from the time that happened, in my view, began a policy which I would describe as cowardly," Mr. Chafets charged.

He said ABC first did "a worshipping interview" with PLO leader Yasser Arafat. "Then in September, ABC did a two-part piece on the evening news on the PLO, depicting the PLO as some kind of a benevolent, moderate and nonterrorist organization," he said.

He also criticized an ABC report last week on the treatment of Palestinian Arabs in the occupied West Bank as "intellectually dishonest," saying it failed to give Israel's side.

Last summer, several American reporters in Beirut, including those from The New York Times and The Washington Post, were seized by a left-wing faction of the PLO, "held for a number of hours and threatened and frightened, and this didn't get any coverage," Mr. Chafets complained.

In the summer of 1980, he said, the BBC withdrew its correspondent from Beirut, Tim Llewellyn, after he received a death threat from Syrian sources, which were displeased by his reporting on unrest in Syria. The previous month, Reuters bureau chief Bernd Debusmann was shot and critically wounded after being warned repeatedly by Syrians about similar reporting. Mr. Llewellyn witnessed the shooting.

"The BBC did its best to cover that up," Mr. Chafets said, "and for months Llewellyn covered the Middle East from Cyprus without mentioning that fact to his listeners." BBC still does not have a regular correspondent in Beirut.

As a result of such intimidation, he said, the civil war in Syria is scarcely mentioned in the Western media.

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Arms Stolen in Raid On Italian Army Base

United Press International

ROME — Suspected Red Brigades guerrillas raided an Italian Army barracks Tuesday, disarmed 18 guards and escaped with large quantities of machine guns, bazookas and assault rifles.

The pre-dawn attack on the Pica military barracks at Santa Maria Capua Vetere, 175 kilometers (108 miles) southeast of Rome, took place after three weeks of sustained police success against the Red Brigades, including the rescue of U.S. Army Brig. Gen. James L. Dozier on Jan. 28.

Some politicians had described the rescue of Gen. Dozier and the subsequent arrests of an estimated 140 Red Brigades suspects as a blow from which the urban guerrilla group could not recover.

Police said the barracks raid began about 4 a.m. when four guerrillas slipped over the perimeter wall of the installation and surprised and disarmed four soldiers on guard duty near the base armory. They said that the attackers then took the guards to a barracks where 14 soldiers were sleep-

ing, disarmed and tied up the troops and then looted all of them in the armory.

Officers said they then went straight to the armory, where they took two 60-mm mortars, two bazookas, 20 assault rifles, four heavy machine guns and six light submachine guns before making a getaway in cars driven by accomplices outside the barracks walls.

Anonymous Call

Later in the day, an anonymous woman caller telephoned the Naples newspaper Il Mattino and claimed that the attack had been carried out by the Red Brigades.

"This is the Red Brigades," the newspaper quoted the caller as saying. "We attacked the Pica barracks and confiscated the weapons."

Investigators believe that, in addition to reasserting its ability to carry out major operations, the Red Brigades raided the army barracks to replenish its weapons supplies depleted by police raids last week on two of the gang's arm depots in northern Italy.

A Believer and His Sheet

In contrast to Jimmy Carter's fast and frequent economic turnabouts, there is a certain allure to President Reagan's decision to hold to the course he set last year. "Our task is to persevere; to stay the course; to shun retreat," he says in his annual budget message. But steadfastness does not impart wisdom. The course Reagan urges once more upon the nation may be consistent, but it is also dangerous, wasteful and even cruel.

Once again, he wants Congress to take the deficit only half-seriously. It should reduce the deficit by cutting social programs even further, but must not dare reduce it by cutting defense, or by raising taxes. It is a lopsided strategy, rooted in theology alone. There were once high priests who shared that theology with him. Now it is credible to only a single true believer: the president himself.

His top advisers are parading about like good soldiers touting the wisdom of the new budget plan. But not many days ago they, like the chorus of outside skeptics, were urging Reagan to reject his current course in favor of a tax increase in 1983.

Reagan rejected their advice. To him, bigger taxes mean only bigger government, not smaller deficits. So he chose once again to adhere to the gospel of supply-side economics, urged on him by Congressman Jack Kemp of New York. Under that doctrine, the deficits are not something to worry about because they will soon evaporate in the boom that the Reagan tax cuts will ignite.

Why are presidential advisers now so dubious? One big worry is that the promised boom cannot happen, not while the Federal Reserve keeps fighting inflation through tight monetary policy. With a succession of huge Reagan deficits ahead, this anti-inflation strategy is likely to lead to another wave of high interest rates and another recession, perhaps before the end of fiscal 1983.

The president says he has an answer to that. Yes, the government borrowing needed to finance the deficits would risk increasing interest rates. But meanwhile, something else will be happening: His new tax incentives will generate an increase in personal and business savings that will offset the borrowing and bring on the boom besides.

Perhaps he is right, but so far business is too unhappy with the recession and too con-

cerned about deficits and credit crunches ahead to commit new billions to expansion.

It will be tougher this year for the president to win his way. Congress is starting out with a bit more fire than last year. The Congressional Budget Office has already issued forecasts that make even the administration's large deficit predictions look pallid.

Congress needs to redirect the debate. A plan to raise taxes once the recession lifts should be prepared for 1983. The drive to increase defense spending massively with borrowed money has to be put in economic perspective. And if there are to be sacrifices in domestic programs, the burden must not fall so heavily on the poor.

An administration that is brave enough to cut food stamps ought also to be brave enough to pare back some middle-class Social Security benefits and some tax breaks. None of this is a matter of theology or faith. The only doctrine Congress needs are fairness and common sense.

Trying to hide a budget deficit of nearly \$100 billion is a little like trying to hide an elephant under a bedsheet. The ears and tail may not be clearly discernible, but there sure is something enormous under the covers.

The Reagan administration has done an elaborate job of spreading out its sheet — yet there is no mistaking the size of the 1983 deficit, and of its cousins in 1984 and 1985. In fact, all the camouflage only calls attention to just how far the president is willing to go to maintain "unwavering adherence" to his program. When will Ronald Reagan, who campaigned as the premier critic of deficit spending, finally balance the federal budget? To answer that question last weekend, Budget Director Stockman had to lift the bedsheet. "Probably somewhere in the range beyond 1988," *Beyond 1988*.

And what is supposed to happen in the meantime? The administration says the 1983 deficit will be about \$92 billion, but even that is wishful. That deficit, by the administration's own estimate, will be about \$147 billion — minus whatever savings Congress agrees to. So, if anything, the Reagan deficit will not only be huge, but huger. All the more reason for the sheet.

THE NEW YORK TIMES.

Defense Is Not Just Arms

The season for the annual ritual debate over defense expenditures is starting. The documents produced so far by the Reagan administration — the proposed federal budget and the defense secretary's report to Congress — and the immediate reaction to these documents by the critics, suggest that, in certain respects, only the numbers and the names of the players have changed. The broad lines of argument remain the same.

To the charge that the United States cannot afford these gigantic expenditures, that they are both helping to ruin the economy and absorbing funds direly needed for social services, come the equally familiar replies. These are that defense expenditures as a percentage of GNP are relatively modest, that much is needed in the way of modernization and improved readiness for American forces, that social spending (if you include the big insurance programs) still takes the far larger share of budget costs, that no duty of government takes priority over the duty to protect the populace from external threat, and so on. All of it is true — on both sides of the argument: America can't afford it, but if it is necessary, of course, America can.

From here the argument will veer off to what is meant by necessary and from there to various strategies and weapons systems and whether they are any good or not, and sooner or later there will be some congressional cuts — and after that, maybe in a few months, everyone will agree that the "wrong" cuts were made. Much sighing all around. A high-ranking official in the Pentagon will say he had to counsel against going into some place or other because Washington let military resources run down so, and a congressman will swear that the latest fighter-bomber won't fly and costs twice as much as it was supposed to. Then everyone will get ready for the debate the following year.

Don't be misled by our weariness with this debate into thinking that when it starts up we don't plan to be there, sinking into the dreadful details with everyone else concerning costs and weapons characteristics and the rest. But for now, before all that gets going, something else strikes us as far more urgent to consider. Before you can reach the question of "how much is enough," you really have to have some rudimentary idea of what it is supposed to be enough for.

The Defense Department's careful descriptions of the kinds of engagements and deterrent effects that various weapons systems

and force levels are intended for and its verbal tour of the trouble spots of the world do not satisfy this need. And here, it seems to us, you come right up to the huge, troubling question concerning America's defenses and its defense expenditures: It often seems as though the elaborate military enterprise itself is a work of fantasy, that it is absorbed in anxieties and contingencies and scenarios that have little connection with the actual world in which we live.

To some extent this is a result of inter-service politics and bargaining — plans are made and weapons procured that do more for the various services' self-images than for their ability to defend. But there is more. Look at the places that, from a national security point of view, have troubled the U.S. government most in recent years — Afghanistan, Iran, Poland, El Salvador — and consider that in each, somehow, the circumstances have been deemed "complicated" in ways that made irrelevant the kind of forces that America has at its disposal. This is not a suggestion that the United States should have "gone into" any of those countries in a military way, only a comment on the split-screen quality of the costly national defense establishment. There is the military enterprise and then there is what America does around the world.

The fact is that however much improvement may be needed in the country's military forces, the show of strength that is relevant and required now has to do with political will on the nonmilitary diplomatic and economic front. It is all very well to talk tough about weapons and forces and their great potential. But a country that is not willing to sustain a grain embargo or other nonmilitary pressures that are controversial and inconvenient at home, really isn't going to impress anyone with lots of added hardware.

You can agree or disagree with the substance of Secretary Casper Weinberger's blast, in his report to Congress, against current trading arrangements with the Soviet Union. Maybe it wasn't even his business to have brought it up in such a report. But, right or wrong, there is a certain relevance to it: The real questions concerning America's strength in its conflicts around the world are only partly questions of force levels and organization. They are, in much larger part, just now, questions of national purpose and credibility on a variety of nonviolent fronts.

THE WASHINGTON POST.

Feb. 10: From Our Pages of 75 and 50 Years Ago

1907: Young Shah's Dilemma

PARIS — The editorial in the Herald reads: "Reform or revolution. That brief but eloquent formula presents the Persian outlook very accurately. It is not an encouraging outlook for the Shah, who must choose whether he will acquiesce in a far-reaching project of economical and political reform or risk a revolution. The dilemma is a particularly cruel one for this poor young ruler. He is loath to grant the very legitimate demand for administrative and financial reorganization that could not fail to arouse the antagonism of foreigners with material interests in Persia and eventually entail the active intervention of England or Russia. But he is virtually powerless to cope with a revolution."

1932: Winsome Winnie Yawns

PHOENIX — As the jury in the "trunk murders" case returned a verdict of guilty against Mrs. Winnie Ruth Judd, 27-year-old blonde clinic technician, a verdict dooming her as the second woman to hang in Arizona, the prisoner stifled a yawn. It is feared, however, that her calmness is mere bravado and that she may attempt to end her life. Known as "Winsome Winnie" and the "Tigress," Mrs. Judd is the wife of a Los Angeles physician. The winner of an Arizona beauty contest, she was fanatically jealous of the attentions paid by a wealthy sportsman to two of her friends, whose dismembered bodies were found in two trunks and a suitcase in the checkroom of a Los Angeles terminus.

Decentralize Power? It's Easier Said Than Done

By William Pfaff

PARIS — The United States and France are both launched on the course of transferring power from the center to the edges. Their motives are different, as are the means, but the hope is the same — and it is probably vain.

The idea is to make government more energetic and effective. That, at least, is what President Reagan and his administration say they can accomplish with their "New Federalism." Important educational, social and other programs are to be transferred to the states, together with some tax revenues.

Behind the practical arguments is something else, a hostility to interventionist central government — the welfare government that the United States has known since the New Deal, and especially since President Lyndon B. Johnson's New Society programs of the 1960s. The ideal is a past America in which federal government was more limited and communities looked after their own. It is a very romantic ideal, but much in the historical consciousness of Americans.

The Socialist government of France wants also to decentralize power, but in this case it goes against the history and established attitudes of French society. What the Socialists want would, if they succeed, make a profound change not only in how the French live, but in how they think.

Their argument is that the heavily centralized political structure of France has stultified

local responsibility and held back the economic growth of the country. The second clause in this argument provokes pause, since the rate of economic growth in France since World War II has been the highest, on average, of all the advanced industrial nations, excepting only Japan.

The reverse argument seems more plausible: that centralized indicative planning and direction of investment have been a cause of France's economic success, as in Japan, where the economic system bears considerable resemblance to that in France, and where a similar meritocratic "class," made up of the graduates of certain metropolitan schools, dominates both public and private economic sectors.

The question the French really may confront is whether the perceived political advantages of decentralization will outweigh an actual loss of economic and administrative efficiency. Since the monarchy, France has been ruled by decisions made in Paris and imposed by the administrative agents of Paris — the *préfets* — sent out to the regions rather like colonial governors, to rule the natives for their own good.

Regional councils, mayors and other local officials propose, but the *préfets* dispose. Paris decides what is best — where plants are to be located, where the transport and

power grids will be built and the nuclear plants installed, where investment will be directed, and schools built — all but where the traffic lights should go.

The fury provoked by a mayor's need for Paris' approval to build a swimming pool may be imagined. This is one explanation for the peculiar French political custom of holding several offices at the same time. Nearly every ambitious political man or woman is simultaneously mayor of a town, delegate to a regional assembly, deputy in Parliament — and would, if he or she could, be a Cabinet minister or sub-minister as well. It is one way to beat the centralized system, since if a mayor is also a minister in Paris, the town can get what it wants.

Decentralization has been a popular cause since the Third Republic and the 19th century. Regional economic assemblies were created under the Fifth Republic, and Gen. de Gaulle planned further decentralization. That plan's defeat in a referendum was the issue upon which he resigned in 1969. The new Socialist program will, this spring, give to mayors and the regional assemblies new powers — but the problem, as always, will be whether Paris can really let go.

The very habits of mind imposed by French education — of orderly argument, "lucidity," arranging everything in logical

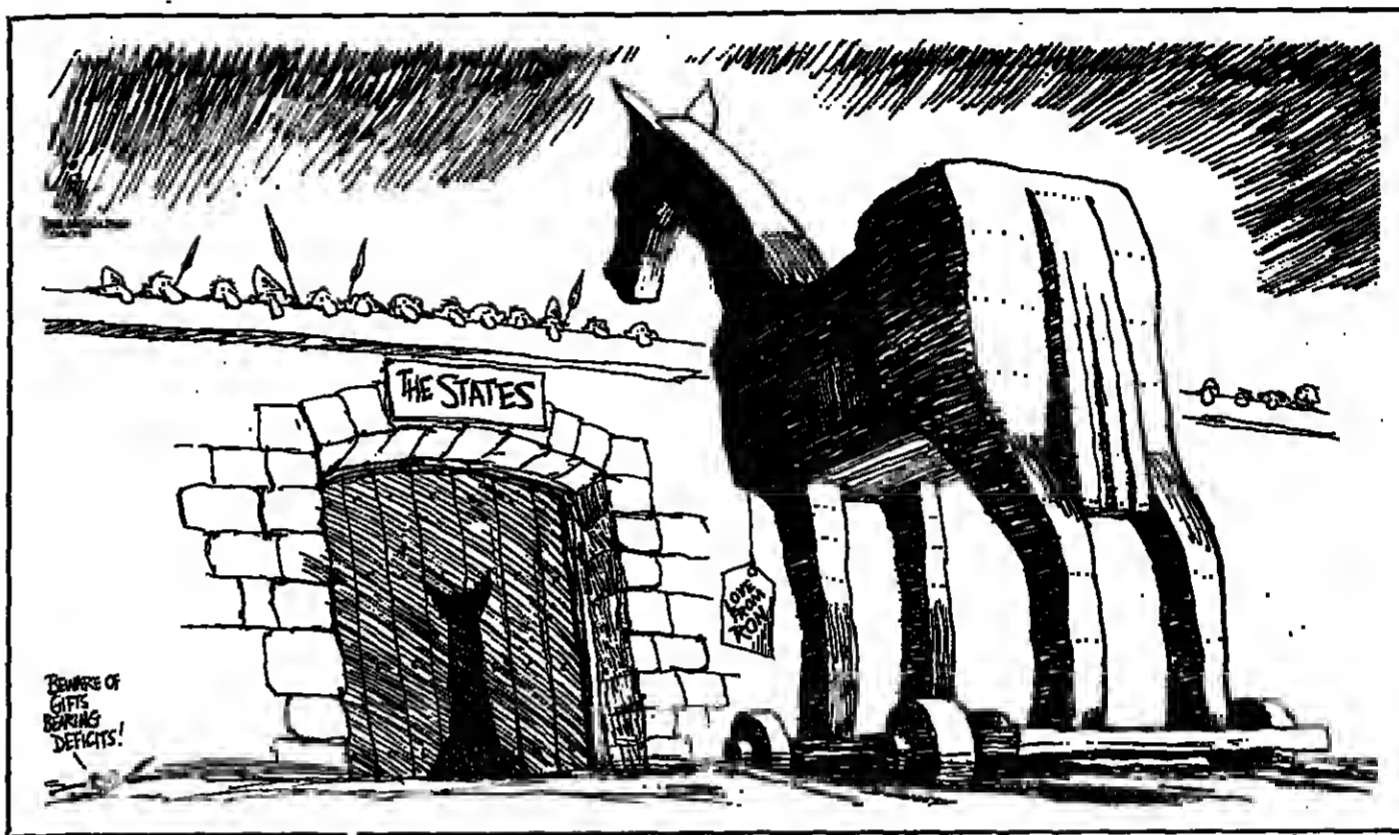
categories (even when this proves illogical in its practical consequences) — are a force for centralization and hierarchy. To change that will be to change society.

The habits of American education and thought are pragmatic, spontaneous, improvisatory, "creative." Civic consciousness and responsibility are indoctrinated from the very start, when kindergarten children elect their class president and vote upon how they will do this or that. Decentralization, for Americans, represents an attempt to return to the source, indeed to the yeoman democracy dear to Thomas Jefferson.

The Reagan administration, in this, is reactionary in the proper and non-pejorative sense of that word; it wishes to return the United States to an older order. But it is a sentimental quest. The older order was undone by whirlwinds of social and technological change, as well as by demography, and while Americans today may be nostalgic for federal democracy, they also are inescapably attached to the progressive ideas and the passion for change that destroyed it.

The Reagan government's attempt to decentralize federal government is unlikely to leave a mark on its time. The French effort would make an immense mark if it were to succeed. It implies revolution, not reaction. But revolutions, like return to the past, are easier to propose than to accomplish.

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Reagan's Axing Plans Mean What They Say

By David S. Broder

WASHINGTON — It is a measure of the absurdity that President Reagan's budget message has been greeted with doubt. No one seems to think the man means what he says.

I am not referring now to the questions about the economic assumptions underlying the budget or the wisdom of his policies, both of which are open to debate. The undesired cynicism is the belief that Reagan and Budget Director David Stockman must know their proposed spending cuts are unrealistic and are just setting up Congress to be the fall guy when deficits soar well beyond the already astronomical projections.

I think Reagan means to do exactly what he says, and that if he succeeds this year, he will have recast the government in a form that would have been unthinkable before 1980. In 25 years of budget-reading, I have been through more than my share of documents designed to camouflage the true character of the policy choices the president has made. This Reagan-Stockman budget, far from disguising the choices, slaps you in the face with them.

In the plainest language yet put forward, this budget says that the concerted and feverishly applied strategy of this administration is to grind down the domestic side of the national government between the millstones of a rising defense budget and a declining tax base.

It is what Reagan calls a "long-overdue reordering of priorities," and what many others will see as an abandonment of national responsibilities. In the bureaucratic language of the budget, "the structural changes" that

Reagan is proposing "will result in radically asymmetrical patterns of budget growth in the years ahead." It means that defense, Social Security and medical programs will continue to grow, and virtually everything else will shrink.

And not by a little bit. If Reagan has his way, those domestic programs — for agriculture, energy, transportation, education, environment and the rest — will shrink in absolute terms every year for the next five years.

No more of the 1981 rhetoric about "cutting the growth rate." Reagan is talking about fewer dollars and much less purchasing power every year than the year before: one-third less in 1987 than this year, if he has his way.

The biggest whack will come this year, as Reagan tries to shrink these domestic programs before he hands them back to the states under his federalism initiative. He proposes to cut nondefense and nonentitlement spending by 25 percent in one year — a recession year, when most family, community and state budgets are already strained.

The list of the programs that would be slashed extends all across the domestic side of government. The cries of pain make the 1981 budget fight seem a tame affair. You can pick your own cause and file your own complaint. I find it shameful that in a \$750-billion budget, Reagan would propose the total elimination of the legal services program that, in my experience, is the first and only guarantee that many people have found for securing the law's protection against those

who chisel and prey on the poor and helpless. The \$150-million cost of that program is the price of 10 of the newest armored attack helicopters — or the amount that a handful of corporations saved in taxes by buying other companies' tax credits.

Cutting another \$400 million from aid to schools teaching the disadvantaged — on top of the \$600-million cut last year — is robbing Americans of their future. This program was pronounced a rousing success last month by Reagan's own secretary of education, as a way to bring children of deprived backgrounds into the mainstream of their schools. If you believe that public education is the building block of democracy, that cut is unconscionable.

But the Reagan budget, in its candor, makes very clear why he thinks it necessary. There is a lock between his determination to reduce tax rates and his insistence on pushing up defense spending at an unprecedented pace. As the budget shows, 97 cents of every dollar of added revenues the economy generates this year is to go to the Defense Department. Next year, it will be 89 cents. The message to Congress could not be clearer: Unless it is prepared to roll back Reagan's tax cuts or reduce his plans for the Pentagon, there is no way to finance the domestic budget of the national government. The only argument remaining is the pace at which it is dismantled.

Reagan has put the challenge in the clearest, least cynical terms for all to see. Now it is up to Congress and the country to say if that is the policy America wants.

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Letters

Tastes in Cinema

According to the "People" column (IHT, Jan. 29), Ronald Reagan liked the movies more around the time he was in them. I liked the president more when he was in the movies.

HANNAH BAKER.
Bures-sur-Yvette, France.

Unconfirmation

Regarding the report (IHT, Jan. 29) of President Reagan's certification that government forces in El Salvador are making a "concerted and significant effort" to respect human rights, after reports that hundreds of civilians were murdered by Salvadoran Army troops last December: A State Department spokesman, apparently defending the certification, has claimed that it is virtually impossible to confirm such reports of massacres by government troops.

If the State Department is not in a position to confirm such reports, neither is it in a position to disconfirm them. Therefore the State Department and Reagan are in no position to "certify" that government forces in El Salvador are making a "concerted and significant effort" to respect human rights.

ROBERT HEINAMAN.
London.

Closing the Circle

While it would be an exaggeration to suggest that Italy, West Germany, France and Britain have all gone hopelessly Socialist, it is certainly obvious that they are unwilling to foot the bill for their own defense. In these circumstances, a joint NATO defense does not exist.

Americans are cast in the role of parents bearing children who do not obey them. Clearly, cajoling is ineffective in getting the Euro-

peans to fit into the Pentagon's nice strategies. With the tide of European public opinion opposed, Americans are then defending (or presuming to defend) only hunks of rock, soil and old buildings. The motive power behind NATO — the defense of ideas — appears to be dead or dying.

I suggest that we redraw ideological borders in a narrower circle so as to do better with allies who have been loyal all along: Canada, Australia, New Zealand. This is not "writing Europe off." Europe is doing that to itself.

MARK R. BERGSTROM.
Santa Barbara, Calif.

On Bracket Creep

Regarding an editorial (IHT, Jan. 19) saying: "Prices in the United States have precisely doubled in the past eight years. If you were earning \$15,000 a year in early 1974, and are now earning \$30,000 a year, you have just stayed even with U.S. inflation."

My impression is that you would not have kept pace with inflation, because the taxes on your \$30,000 would be a higher percentage than those on your \$15,000. You would have lost ground to inflation due to "bracket creep."

As I understand it, if inflation keeps up at anything like its recent pace, President Reagan's tax cuts are not really cuts at all but a slow-down in increases. If so, then he is not really trying "supply-side economics" by reducing taxes.

PHILIP C. WALSH.
New York.

Political Science

I was shocked to read (IHT, Jan. 21) that Stanford University, its departments and its research and technical professionals would welcome a Soviet robotics expert at a time when Russian and Polish intellectual colleagues are implor-

ed and maltreated. The oldest and largest of the world's computer societies, the Association for Computing Machinery, of which I was then president, decided at the beginning of the Szechernytsky outrage to eliminate all cooperation with the Soviets; many other associations — physicists, mathematicians, psychologists, dentists — have since done so.

No Soviet technologist, especially in computer science or robotics, can visit an American university except as a representative of his or her government. Institutions and scientists should not receive such a person, and accords that permit and even encourage entry should be terminated.

H.R.J. GROSCH.
Rijswijk, Netherlands.

A Nuclear Slip

In his otherwise well-taken piece (IHT, Jan. 9) on U.S. troops in Europe and the importance of avoiding destabilization of the German situation, R.G. Livingston repeats a widely believed but totally mistaken point about West Germany having forsworn the production and ownership of atomic weapons when it joined NATO.

It has forsworn neither of these.

In the 1955 Western European Union treaty which controlled the rearmament of the Federal Republic, there was no renunciation of the possession or use of nuclear weapons, nor of their production, provided this did not take place on German territory.

This very restricted renunciation of a domestic nuclear weapons industry has, over the years, been exaggerated to a degree typified by the all-embracing statement in the Livingston article. The Bonn government has, of course, ratified the Nuclear Nonproliferation Treaty — but this was in 1975, and, like all other parties to it, West Germany has the right to withdraw.

ROBERT MCGEEHAN.
London.

Backing Juntas

Is Flora Lewis kidding (IHT, Jan. 12)? The U.S.-backed junta of El Salvador modeled on the Jaruzelski junta? The reverse is true. Moscow is just starting to imitate the United States by adopting the long-standing American usage of backing juntas.

JAN ULATOWSKI.
Roquebrune-Cap-Martin, France.

Mubarak Sizes Up Reagan

By Rowland Evans and Robert Novak

WASHINGTON — President Hosni Mubarak's polite no appeal for a "declaration" that would have Egypt selling out on the Palestinian problem marks a new low for American influence in the Middle East.

Mubarak's refusal had been made patently clear to Secretary of State Alexander Haig during two highly publicized visits to Cairo, so much so that President Reagan did not press him during their arm-length talks in Washington last week. If he had pressed, Reagan would have been asked a question for which there is no answer: What is the Reagan administration's Palestinian plan?

The bankruptcy of Reagan's Mideast policy is now indicated by the refusal of both Israel and Egypt to do what the United States asks. Blocked on the one hand by Israel's refusal to give the Palestinians the "full autonomy" promised by Prime Minister Menachem Begin at Camp David, Haig turned to Mubarak. What he wanted was Mubarak's signature on a "declaration" dealing in vague terms with the autonomy issue. Haig freely conceded to Mubarak that the "declaration" was incomplete, but surely it could be polished up sometime later.

Likewise with the matter of the continuing Jewish settlements on Palestinian land. Haig suggested putting off the question, but Mubarak reminded him that the late President Anwar Sadat had been hoodwinked on the settlements issue in the Camp David talks more than three years ago.

Dismayed

Mubarak and his aides left Washington with disturbing impressions about the murky ideas through which their hosts view the Palestinian issue; that Arab East Jerusalem is not an important problem; that the centrality of the Palestinian issue was partly created by previous administrations.

Mubarak was studious in drawing a contrast between the warmth of Sadat's relationship with Reagan-Haig and his own relationship — correct but arm's-length. His advisers were dismayed during Haig's two visits to Cairo that the secretary failed to understand, as one Mubarak intimate put it, that Sadat was "both leader and president of Egypt, whereas President Mubarak has not had time to prove his leadership. Sadat risked intimacy — until he was assassinated. Mubarak cannot."

Mubarak also left with the impression that despite his resistance to putting his signature on an autonomy paper, Reagan did not use Mubarak's request for more and faster U.S. military aid as a pressure point. Similarly, the new \$1-billion Egyptian deal for advanced Mirage aircraft (to be financed by Saudi Arabia) showed that Egypt is not wholly dependent on the United States; this undercuts U.S. influence, but during his talks in the White House Mubarak felt no displeasure.

The private consensus in the Mubarak camp as he left would not make any reading in the president's morning news summary. It is that Reagan's inability or refusal to deliver the "full autonomy" pledged to Sadat at Camp David shows a fear of Israel's political power in the United States which is certain to further cancel out U.S. influence in the Arab Mideast.

Reagan left Mubarak with an impression of decency but not of great strength. Mubarak went home to develop closer ties with the Arab and nonaligned worlds. He knows what he wants. Can Ronald Reagan say the same?

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Grenada: Anti-Americanism Rises

Caribbean Island's Radical Leaders See a U.S. Threat

By Barbara Crossette

New York Times Service

ST. GEORGE'S, Grenada —

The crowd clapped rhythmically

and began to sing:

"When the Yankee soldiers come,

"When the Yankee soldiers come,

"I want to be in the front line,

"When the Yankee soldiers come."

Nearly a thousand people had

gathered on the waterfront of this

island nation's capital to com-

memorate the death of a local

hero. But the occasion rapidly

turned into an anti-American rally,

reinforcing the belief here that

Washington is on the verge of mili-

tary action against Grenada.

It has been almost three years

since a group of young rebels over-

threw the government of Sir Eric

M. Gairy and began to build a new

society, radical in domestic policy

and studiously pro-Cuban in for-

ign affairs.

Since the coup March 13, 1979,

the United States, under both Jim-

my Carter and President Reagan,

has demonstrated its displeasure

with events here by refusing to ex-

change ambassadors with the gov-

ernment of Prime Minister Maurice

Bishop and his New Jewel Party.

Grenada Seen as Bad Example

In public speeches, both Sec-

retary of State Alexander M. Haig

Jr. and Thomas O. Enders, as-

stant secretary of state for inter-

american affairs, have portrayed

Grenada as a client of Havana and

a bad example to the Caribbean.

Meanwhile, the government here,

while continuing to seek normal

relations with Washington, has

maintained that the Reagan ad-

ministration is seeking its over-

throw.

Information Minister Don Ro-

jas said in an interview that Gren-

ada "takes very seriously" the threat

of invasion, citing U.S. military ex-

ercises off Puerto Rico last year as

evidence that the attack has al-

ready been rehearsed.

By Barbara Crossette

New York Times Service

WASHINGTON — The Reagan

administration has declared again

that it is not seeking a military so-

lution in El Salvador.

Thomas O. Enders, assistant

secretary of state for inter-Amer-

ican affairs, told the Senate Foreign

Relations Committee: "Our goal is

not a military victory. We want to

help the Salvadorans prevent the

insurgents from disrupting the po-

litical and social transformations

that are now under way." A polit-

ical resolution, he said, was the

only solution for El Salvador.

Mr. Enders, testifying Monday

on the process by which the ad-

ministration decided that El Sal-

vador was making adequate progress

in political and human rights to

warrant continued U.S. aid, said,

however, that more military and

economic assistance would be

needed.

But the committee chairman,

Republican Sen. Charles H. Percy

of Illinois, said that Congress was

under strong public pressure to re-

ject the administration's certifica-

tion of El Salvador. The certifica-

tion is required under a foreign as-

sistance law passed in December.

President Reagan last week

signed an executive order releasing

\$55 million in military equipment

for El Salvador that would be

drawn under emergency proce-

dures from Defense Department

stocks.

The administration said El Sal-

vador needed \$25 million worth of

materials to replace aircraft and

other equipment destroyed or

damaged in a guerrilla attack on a

Salvadoran air base last month.

The additional \$30 million, the

Pentagon said, would build up the

Salvadoran armed forces' stocks at

a time of increased guerrilla ac-

tivity.

In his testimony Monday, Mr.

Enders, under sharp questioning

from Democratic senators, would

not comment on recent statements

by Secretary of State Alexander

M. Haig Jr. that U.S. military ac-

tion in Central America was still a

policy option.

"Nothing has been ruled out,

but nothing has been ruled in,"

Mr. Enders said.

Additional \$100 Million

Last week, in testimony before

the Senate subcommittee on inter-

American affairs, Mr. Enders in-

dicated that the administration was

thinking in terms of \$100 million

in additional economic aid for El

Salvador.

Officials of private development

groups working on plans for the

Caribbean area believe that the

money will come from the admin-

istration's Caribbean Basin Initia-

tive. Of \$300 million in supple-

mentary economic grants to be

sought from Congress for the re-

gional development plan, these of-

ficials say, more than two-thirds

appears to be earmarked for Cen-

tral American nations thought to

be strategically important to the

United States.

Pressed for proof that El Sal-

vador had reduced the level of po-

litical violence, and questioned on

how the U.S. Embassy there had

collected its evidence, Mr. Enders

acknowledged that El Salvador's

legal system "had very largely

broken down," and that its judicial

system was "largely inoperative."

He also acknowledged that

"massive problems remain" in El

Salvador's observance of human

rights. But he rejected suggestions

that the military-civilian junta ne-

gotiate a form of government in

which the guerrillas would take

part.

The administration has said

6,116 noncombatants died last

year in El Salvador but has noted

in its 1981 human rights report, is-

sued Sunday, that church organi-

zations in El Salvador have put

the figure at more than 11,000.

Mr. Enders and Elliott Abrams,

assistant secretary of state for

human rights and humanitarian af-

airs, said that the organizations

reporting higher figures would not

divulge where their information

came from.

"We are not seeking a low body

count," Mr. Abrams told the com-

mittee, "we are seeking an accurate

body count."

Mr. Kirton said investment, in-

cluding that from foreign private

sources, was being sought. Money

is needed to develop agriculture

and food processing as well as fish-

eries and the tourist industry, he

said.

Grenada recently hired a New

York public relations company to

promote U.S. tourism here. It is

also building a new airport to han-

dle large jets.

The airport, being built by Cu-

bans, is a source of friction be-

tween the island and Washington,

which sees it as suspiciously large

for Grenada's tourism needs and

as a potential military base to han-

dle what Mr. Haig has termed

"every aircraft in the Soviet-Cuban

inventory."

The nation's only elected prime

minister, Sir Eric, became known

abroad principally for his belief in

UFOs, causing embarrassment at

home. Sir Eric maintained a strong

police force that was responsible

for the death of, among others, the

present prime minister's father, Rupert.

The new leaders of Grenada, whose

average age is about 35, were

educated largely in the United

States, Canada and Britain, ac-

cording to Mr. Rojas. Mr. Bishop,

a London-trained lawyer, was ac-

tive in race-relations groups in

Britain.

While Grenada's leaders insist

they have not completely ruled out

elections, there seems little chance,

judging from Mr. Bishop's public

statements, that organized opposi-

tion will be allowed.

"If you stay and you work nor-

mally, even if you do not support

the revolution but you choose not

to engage in counterrevolution, that

is okay," Mr. Bishop told

journalists last summer.

"But if you stay and you decide

to stay with counterrevolution," he

said, "then you are going to be ex-

posed, you are going to be isolated,

you are going to be ruthlessly

crushed. It is as simple as that."

Clairmont Kirton, the island's

chief economic planner, said, "The

government is committed to a

mixed economy."

The New Jewel Movement, with

its Soviet-style Politburo and Cen-

tral Committee ruling a one-party

state, has closed all opposition

newspapers.

Commitment to Mixed Economy

Paradoxically, the government

has not taken over any private

companies and plans no action,

apart from higher taxation, against

the private sector. Several Gren-

adians in private business said,

however, they feared that in-

creased tax rates and service

charges proposed by the govern-

ment would eventually force them

to close.

Clairmont Kirton, the island's

chief economic planner, said, "The

government is committed to a

mixed economy."



BEWITCHED — Revelers wear witch costumes at an Alemaic carnival in Gengenbach, West Germany.

200 East Germans Reportedly Sign Document Calling for Disarmament

BERLIN — About 200 East Ger-

mans, including churchmen, have

signed a call for disarmament

amid signs that an unofficial peace

movement is gaining impetus,

sources said Tuesday.

They said the document, styled

the "Berlin appeal," calls for the

dismantling of nuclear weapons

and withdrawal of foreign armies

from both East and West Germa-

ny.

Meanwhile, pamphlets were

handed out in Dresden calling for

a peace march Saturday, the an-

niversary of the Allied bombing of

the city in 1945, sources in Dres-

den said.

The appeal calls for Britain,

France, the United States and the

Soviet Union to conclude peace

treaties with both German states

and withdraw occupying troops

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Film: 'Shoot The Moon' Is Funny, Sharp

By Vincent Canby

New York Times Service

NEW YORK — "Shoot The Moon," written by the Oscar-winning Bo Goldman ("Melvin and Howard") and "One Flew Over the Cuckoo's Nest" and directed by Alan Parker ("Fame" and "Midnight Express"), is a bitter-sweet comedy about a marriage that has gone sour before the film opens.

It is so funny, harrowing, intelligent and moving for so much of the time that when occasionally it goes wrong, one feels betrayed, far angrier than one would feel under other circumstances. One comes to identify with it so intimately that its lapses in judgment and imagination are all the more maddening, like watching a person you care about do something needlessly, suicidally stupid.

The setting is affluent Marin County, near San Francisco, where George Dunlap (Albert Finney), a successful writer, and his wife, Faith (Diane Keaton), live in a handsome old farmhouse with their four small daughters, amid the kind of idyllic, gently rolling, sometimes fog-shrouded Northern California scenery that suggests it really is possible to live inside a cigarette commercial.

Yet when we first see the Dunlap farm in the eerie lighting of an overcast sky, with an abandoned bicycle in the yard, its wheel still spinning, and a teddy bear forgotten on the open, clumpy front porch, the mood is less idyllic than doleful. You can't even be sure what time of day it is, which may be the perfect way to begin a film about the intense emotional dislocation that follows the breakup of a 15-year marriage.

Leonardo Codex in Florence

The Associated Press

FLORENCE — The Leicester Codex, a treatise by Leonardo da Vinci, has returned to Italy for the first time in more than 250 years. The 36-page document was sent to Florence by its owner, the industrialist Arnold Hammer, for display at the Palazzo Vecchio from Sunday through May 16.

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Diane Keaton as the newly separated wife in "Shoot the Moon."

As it turns out, the time of day is evening, and Faith and George Dunlap are preparing to drive into San Francisco to attend something called the International Book Awards banquet, where George may be a winner. Faith, a suburban earth mother, sits at her dressing table putting on her makeup. She is surrounded by her three younger daughters, who squirm, talk and giggle nonstop, sloop lip-stick and rouge all over themselves and suddenly become embroiled in a marvellously nonsensical argument about what a tart looks like.

George, not yet dressed for the banquet, sneaks downstairs in what is obviously a state of some anxiety. He looks possibly drunk on the verge of a breakdown. After sitting on the stairs for a moment, listening to the nonstop chaos above, he pulls himself together and makes a surreptitious telephone call. To his mistress.

"Shoot the Moon" is not only about George and Faith Dunlap, who have grown away from each other through no one's particular fault, but also about Sandy (Karen Allen), George's new love, and Frank Henderson (Peter Weller), the young man who comes to build a tennis court at the farm and who stays on to become Faith's lover.

Each of these four is essentially decent, but they all eventually land in the soup — George and Faith because they can't end a relationship they acknowledge to be finished, and Sandy and Frank because there is no way they can meet the demands imposed on them by partners loaded down with so much emotional baggage.

At its best, "Shoot the Moon" is as spare and as sharp in its detail

as fine prose, and as continuously surprising. Like the film adaptations of "Ordinary People" and "Kramer vs. Kramer," it's a domestic comedy of sometimes terrifying implications, not about dolts but intelligent, thinking beings.

Parker and Goldman are particularly good in dramatizing the small irritations of domestic life that suddenly grow into furious hurricanes, the sorrowful edginess that comes to exist between George and Faith when they realize they have fallen out of love and the awkward way in which Faith and Frank stumble onto a new love, in one of the film's funniest, sweetest sequences.

The four principals are superb as long as the director and the writer don't seem to be manipulating them. Keaton is terrific as the sort of wife who, having married young and devoted herself to child-rearing, suddenly finds herself no longer a part of the life of an ambitious, upwardly mobile husband.

Though Finney's English accent is most peculiar under the circumstances, he gives the kind of anguished, biting, full-length performance one associates with his best work, going back to "Saturday Night and Sunday Morning."

Weller and Allen are equally strong and fully realized, though their roles are, by comparison, small. The children are, by turns, noisy, pusy, solemn, infuriating and dear. In addition, there are wonderful performances by the members of the large supporting cast, most notably by Irving Metzger as Faith's divorce lawyer, known fondly as "the butcher," and George Murdock as Faith's father.

A la Carte: Learning to Cut Sushi in Japan . . .

By Jim Abrams

The Associated Press

TOKYO — Cutting through the curriculum can be a slippery task. But foreign and Japanese graduates of Tokyo's "Sushi University" find that tuna-slicing and seaweed-wrapping are skills worth learning in a world hungering for Japan's raw fish and rice delicacies.

"We can't keep up with demand," said Hirokazu Takeuchi, 27, who founded the school two years ago to train Japanese for jobs in sushi shops outside Japan. "Sushi restaurants are springing up everywhere around the world, and there is a dire shortage of chefs."

Sushi, for those who still haven't heard, is a concoction made of raw fish — any one of a number of varieties — cut in bite-sized slabs and mounted atop dollops of boiled, vinegar-soaked rice, laced with a fiery green horseradish called wasabi and dipped in soy sauce.

Growing Popularity

Without the rice, it is called sashimi. Either way, it is one of Japan's great gifts to the culinary world, and is enjoying growing popularity abroad.

The 100 students in Takeuchi's professional course are all Japanese, heading for jobs in New York, Paris or Rio after a year of intensive schooling in the art of wedding rubbery octopus morsels to fragile rice balls and forming seaweed rolls topped with salmon eggs.

Since last April, Takeuchi has also offered weekly classes, in English, for foreigners seeking initiation into the mysteries of sushi. There are now 55 students enrolled in the three-month course.

Restaurant consultant Ramon Toca, 26, said that in his home town of New York — where sushi shops are said to outnumber French restaurants — knowing how to roll your own "makes you a star." He said he enrolled in the course because "you are not only



Nancy Galloway of New Orleans samples the sushi she has just learned to make.

learning a cuisine, but also a culture and language."

Few students in the international class expect to don the white uniforms, high-beeled clops and rakish headbands of the professional sushi *itamae*, or chef. Many say they signed up simply because they like to eat sushi.

"I joined because I am very health-minded and sushi is so good for you," said Mariene Tibbs, an Austrian married to a California banker. Said Jean-Pierre Richard, 26, a student from Paris: "I just like sushi."

Students pay an enrollment fee of 10,000 yen (\$43), and 3,800 yen more for each of 12 lessons. They can eat their handiwork.

Although many Japanese think

sushi is an intrinsically Japanese food, the taste for raw fish is believed to have been learned in China during the first Tang dynasty (A.D. 618-907). The word "sushi" first appeared in Japanese records about 1,250 years ago.

The fish then was usually pickled because of a lack of refrigeration. Rice, in short supply in ancient Japan, was not added until around 1600 — and then only as a muzzling agent. It was not until about 150 years ago that Japanese began to eat today's familiar sushi of rice and fish.

As with most Japanese arts, sushi masters claim that their craft demands humility and mental discipline that requires three to five

years to learn. However, Takeuchi says his graduates are first-class chefs after one year.

"In Japan, people believe one must go through a long apprenticeship to a master before striking out on one's own. But the system actually has been perpetuated so there will always be a supply of people to do the buying, cleaning, dishwashing and other menial tasks," he said.

The three-month international course suffices for those wanting to learn how to entertain with ed or cuddle up with cuteness.

Henry McAuley, a Northern Irish businessman, said he began taking classes because there are no sushi shops in Belfast, "so I'll have to make my own."

. . . Putting Piranhas in the Soup in Brazil . . .

By Arthur Herman

United Press International

CORUMBA, Brazil — Gourmet-minded Brazilians are turning the tables on the man-eating piranha.

More and more people now eat the voracious fresh-water fish, especially in piranha soup. The dish tastes like a rather sweet fish broth: some locals claim it resembles turtle soup.

The piranha, famous for its sharp, triangular teeth, abounds in the Paraguay River, which passes the western town of Corumba on the border with Bolivia. It also inhabits the rivers of the Amazon basin, in Brazil's north, and is notorious for attacking in swirling, chomping swarms.

Experts say the fish can be a man-eater, but that such occurrences are rare.

"Piranhas have to be hungry to attack animals, livestock or people," state environment secretary Col. Adone Sotovia said. "In the rivers they normally feed on smaller fish and get enough food. But often they get blocked in la-

goons that start to dry up. Then they get hungry and can attack by the hundreds."

Haroldo Palo, who spent the last two years in this region photographing wildlife, said he was once attacked by piranhas in a lake. "I had to swim fast and beat them back with a harpoon. They did not succeed in actually biting me."

Palo said he did see fish weighing 30 to 40 pounds (13 to 18 kilograms) devoured by piranhas in two or three minutes.

The president of the Corumba fishermen's cooperative, Arthur Santos Moreira, said the only fatal attack he knew of occurred in 1959 near the town of Miranda. He said a young man carrying a slain buck over his shoulder cut through a lagoon to save time and was killed by piranhas attracted by the animal's blood.

Last September officials on the Amazon blamed piranhas for the disappearance of dozens of bodies after a boat accident. But this was never clearly proven.

"The piranha is not the best eating fish in the river," veteran angler Leivino Mendes said. "But it is the easiest to catch. Often it will be good to beat your pole on the water to catch their attention."

Inflation of 95 percent a year has forced many Brazilians to eat cheaper food; hence the piranha's popularity.

Except for the switch-blade teeth, the fish is rather pretty. The local two-pound version has a light purple back with yellow belly.

Almost all the piranhas caught are consumed in the river communities. But Sotovia, the state environment official, said a restaurant in São Paulo near Brazil's east coast has taken to bringing in several hundred pounds of the fish a day.

Some Brazilians claim the fish's head has medicinal effect for people with "weak brains." "I believe that, because people around here eat a lot of piranhas and they have good health," fisherman Emérito da Costa Campo said.

The fame of the piranha does not stop in the interior. In Rio de Janeiro, "piranha" is slang for a man-bungy woman.

. . . and Some Sautéed Rattlesnake in Antwerp

By Robert Wieldaard

The Associated Press

ANTWERP, Belgium — Ostrich, rattlesnake and alligator are nothing unusual on the menu at Forsyth's Restaurant. Future menus may include monkey, crocodile and box constrictor.

Slipping a coiled, skinned rattlesnake into a hot frying pan, James Forsyth, who runs the place, observed that Belgians are culinary adventurers. "They'll try damn near anything," he said through the steam and sizzle rising from the pan.

So, for that matter, will Forsyth, 36, a former machinist from Buffalo, N.Y. His restaurant in Antwerp specializes in South African ostrich, Texas rattlesnake, alligator, antelope and other curious dishes.

Forsyth's a cozy corner restaurant off a busy shopping street in

Antwerp's south end, opened in 1975, offering common Belgian favorites such as steak and fried potatoes.

Three years later, said Forsyth, he was watching a television program about a rattlesnake hunt in Arizona. It took two more years to find U.S. suppliers to deliver packages of 110 pounds (50 kilograms) of snake.

"Rattlesnake," said Forsyth's Belgian wife, Simone, "tastes, well, like snake. It doesn't have a strong flavor. You give it character in the preparation. I love it."

So do customers at the turn-of-the-century-style restaurant, who munch through each 50-kilo delivery of rattlesnake in about two weeks.

"I always have at least two different things," said Forsyth, opening a refrigerator revealing the week's specialties: several

rattlesnakes and an entire Texas alligator. "Tastes like pork and smells like fish," he said, hefting the reptile.

Forsyth's serves ostrich and rattlesnake lightly sautéed. "I always have ostrich," he said. What does it taste like? "Well, if you didn't know what you were eating, you'd say it was the best beefsteak you've ever had."

Ostrich meat is red. Forsyth serves it several ways besides sautéed — including smothered in barbecue sauce — and accompanied by hearts of palm, apple fritters, salad, vegetables or corn bread. The restaurant serves alligator roasted, and medallions of antelope flambéed.

Prices range from 350 Belgian francs (about \$9) for ostrich steak to double that for the harder-to-get alligator.

Forsyth's wife tests all the dishes.

"Snake is very good," she said. "You can still see it is a snake, of course — you know, the ribs, the head and all that. It's difficult to eat unless you use your hands. You're in a hurry, don't eat snake. Forsyth gets his snakes' heads and serves them whole."

"I've been cooking since I was 12," said Forsyth. He plans to extend his menu soon with such delicacies as monkey, crocodile and box constrictor from South America, and bear and buffalo from North Dakota. "Box is supposed to be between red and white meat," he said.

He has tried cobra, but says tastes like horseshoe. It is hard to tell to Belgians, who love horseshoe and can buy it for less than the cobra.

For shark, he has a standing order with Belgian fishermen. "Every time fishermen from Ostend eat one, I get it," said Forsyth.

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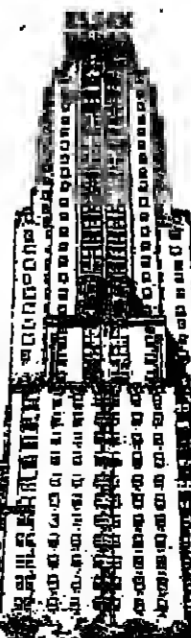
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Swiss Sleuth Is French Capital Connection

By Felix Kessler
AP-Dow Jones

ZURICH — Armando Kaegi, a 33-year-old Swiss private detective, handles assignments shunned by most sleuths: Smuggling foreigners' money into Swiss accounts.

Over the past few years, Mr. Kaegi says, he has probably spent millions of dollars into Switzerland from countries that curb capital outflows.

The prime example is France, whose outflow has accelerated since Francois Mitterrand's election as president last spring. The election provoked fears that the new Socialist government would raise taxes for the rich, embark on ambitious spending programs and inevitably raise France's inflation rate. The government has indeed moved in those directions and the money exodus, France says, is continuing.

As it combats the money exodus, France must contend with Mr. Kaegi and people like him. "Our costs are high and profits low," says Mr. Kaegi, "but our way offers perfect safety."

That is debatable. In any case, Mr. Kaegi does not break Swiss laws. "From the Swiss point of view," says an official at the Swiss National Bank, "it isn't forbidden for the French to deposit money in Switzerland."

Pervasive Fraud

The French point of view is different. As Budget Minister Laurent Fabius recently observed, fraud has become a pervasive national sport. Wealthy industrialists, bankers and department-store owners are among the dozens of Frenchmen who have been caught trying to sneak illegally hoarded gold coins or cash across the frontier. Some details have been gleefully exposed in the press.

France also has a problem, legally speaking, with the 5,000 franc (\$830) outflow limit on each trip. It is illegal for ordinary French citizens to ship funds abroad or to have foreign bank accounts. Businessmen may be able to take more money out of the

country if they can persuade the authorities that it is for business purposes.

Yet an official of the Communist-led union that represents custom agents says that as much as 32 billion francs has been transferred out of France since Mr. Mitterrand's election. This figure is called "very exaggerated" by Patrice Cahart, deputy director of France's customs office, who says that nobody really knows how much money has left the country.

But Mr. Cahart says that about 100 million francs was confiscated in 1981 by French customs officials in apprehending would-be smugglers, indicating a sharp rise in such cross-border activities.

To discourage potential smuggling, the government has authorized a 10-percent increase in the number of customs officers controlling. Even a patrol boat has been dispatched to Lake Geneva for spot checks along the 30-mile border with Switzerland.

French authorities acknowledge that the total amount of money shifted by these conventional means is most probably much larger, and the amount should total "about 20-30 billion francs" to make a French trip worthwhile for him.

Mr. Kaegi says he does not personally smuggle money anymore but operates through people who are unknown to customs authorities. To minimize risks, he says, he does not take any new individual clients but conducts all business through a Swiss lawyer.

In any event, eyebrows are unlikely to be raised if Mr. Kaegi calls at a Zurich bank seeking to open an account with a suitcase stuffed with 500-franc notes. "I would say there would be no problem if the amount isn't too large," says a well-known Zurich banker. A conservative bank might have trouble accepting an initial deposit of a "couple of million francs," the banker says, but a deposit of one million francs should not create problems.

"A million, well, a million francs nowadays isn't that much money," he says.

teining a court order. And the bank clients need not be informed of such inquiries.

One gap in the line of defense against capital outflows is the airports. Most of them, as the labor union of customs inspectors observed in seeking more enforcement agents, are uncontrolled, making it a simple task for smugglers to fly money illegally into nearby Switzerland, Belgium or Luxembourg. Mr. Cahart, however, maintains that money smugglers still bring out most of the cash by the time-tested means of car or train, often hiring students or families for the final border crossing.

Mr. Kaegi similarly does not favor an airplane for smuggling money from France, though he calls it a plausible method. "Our costs are very, very large, and you can't operate profitably with a plane," he says.

Minimizing Risks

The sum transferred on each mission is sizable, Mr. Kaegi says. The fee, computed by dimensions, weight and value, generally works out to 4 to 7 percent of the amount, he says, and the amount should total "about 20-30 million francs" to make a French trip worthwhile for him.

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"A million, well, a million francs nowadays isn't that much money," he says.

OPEC Session Not Justified, Says Yamani

Saudi Oil Chief Says \$34 Level Will Hold

From Agency Dispatches
ABU DHABI — The possibility of an emergency meeting of OPEC ministers to discuss falling crude prices was all but ruled out Tuesday by Saudi Oil Minister Sheikh Ahmed Zaki Yamani, following talks with his United Arab Emirates and Kuwaiti counterparts.

Speaking to reporters, Sheikh Yamani said, "We believe an emergency meeting at present is not justified."

It was also reported Tuesday that Sheikh Yamani, in an interview published in Saudi Arabia, said that OPEC's \$34 benchmark price for Arabian light oil will hold through this year and possibly into 1983.

"We froze the price of oil until the end of 1982. It will definitely hold unless there is a political event which might disrupt the supply situation, although I don't think any change would be on a permanent basis. I also think the freeze may extend into 1983. That is a possibility."

OPEC is scheduled to meet again May 20 in Quito. But the OPEC president, Emirates Oil Minister Mansour bin Juma Al-Otaibi, said over the weekend that the current imbalance between supply and demand, and the cutting of official prices by some OPEC members had raised the possibility of an intervening meeting.

Sheikh Yamani was in Abu Dhabi Tuesday, where he attended a meeting of international energy experts, known as "The Group of 16." The group, which included representatives from General Motors, the Rockefeller Foundation and the Japanese Finance Ministry, ended the meeting originally planned for two days, Tuesday afternoon. No reasons for the early end were disclosed.

Sheikh Yamani told reporters that the present oversupply in the oil market was created by the oil companies, which are using their stockpiled crude. "Stability will be restored when oil companies cease selling their stockpiled oil," he said.

Crude oil production in Saudi Arabia, OPEC's largest producer, fell to 7.9 million barrels a day in January from its previous level of 8.5 million barrels a day, industry sources said Tuesday. Asked about the reported output cut, Sheikh Yamani did not deny the report, the news agency said.

"Production levels are defined by the market forces — if the market needs that (cut), then every country will reduce its production level," Sheikh Yamani said.

In the interview carried in the Tuesday English-language Saudi Gazette newspaper, Sheikh Yamani also accused some OPEC members of discounting their crude oil in violation of the agreement reached in December in Abu Dhabi, which he called "an alarming situation."

The price cuts are "setting a precedent which we do not like to see and which might affect the pricing system of OPEC."

Sheikh Yamani said discounting not only took the form of outright price cuts or extended credits, but he said some members were shipping crude oil to West European refineries and then "dumping the products on the market at a very cheap price, which in reality, were very sizable cuts in the price of oil."

When asked what he thought continued discounting would mean, he replied: "I think it will instruct some of the other members who do not have a strong market."

"Those countries thought they could enjoy the higher price of oil during the crisis of 1973-1980. But they have lost the confidence of their clients and now they have to pay another price for what they did," he is quoted as saying.

"The level of supply is enough for 100 days or more or less, but that will gradually come down to less than 90 days sometime in the second or third quarter. When we stop replenishing these reserves, we will stop supplying crude to the market from reserves and instead create demand," he is quoted in the interview as saying.

N.Y. Stock Prices Test 1981 Lows

From Agency Dispatches

NEW YORK — New York Stock Exchange prices extended their decline Tuesday as the market continued to focus on the gloomy outlook for interest rates.

The Dow Jones industrial average traded in a narrow range all day and finished off 2.86 points to 830.57, its lowest closing since the 1981 low of 824.01 on Sept. 25. Declines led advances by around

1,100 to 400 and volume widened to some 54.5 million shares from 48.5 million Monday.

"The market could turn around if there is some good news on interest rates but otherwise it will continue to test the September lows," Harvey Deutsch of Purcell Graham said.

Mr. Deutsch said the market will remain in a testing phase for the next few days and added that

"it's a toss-up at this point whether or not it will turn up at the end of that test."

Analysts said President Reagan's projections of large federal budget deficits and speculation that the Federal Reserve is tightening monetary policy were the main factors weighing on the market, as both could lead to higher interest rates.

Mr. Reagan defended his budget Tuesday, saying it will not hurt the needy. Treasury Secretary Donald Regan said the deficit is manageable and White House Economic Adviser Murray Weidenbaum claimed capital spending is running on course. He said recovery is expected in late spring or early summer.

Oil stocks continued in loss ground and analysts attributed the weakness to slumping oil prices.

Some of the biggest drops among the oil were recorded by Standard Oil California, off 1 1/2 to 31 3/4, Texas Oil & Gas 1 1/4 to 26 1/4, Getty Oil 1 1/4 to 33 1/4, Phillips 3/4 to 34 1/4, Zapata one to 22 1/4 and Pennzoil 1/2 to 44 1/4.

In credit-market news, the Treasury said it will raise \$700 million of new cash by selling \$5 billion of three-month bills and an identical amount of six-month bills at its regular weekly auction next Tuesday. The auction would ordinarily be held on Feb. 15, but that is a federal holiday.

Saudis to Continue to Aid Bonn Over Payments Gap

BONN — Saudi Arabia will continue to help West Germany finance its current-account deficit, a Finance Ministry spokesman said Tuesday.

The agreement, which follows two years of similar commitments by the Saudis, came at recent talks between West German and Saudi officials. No specific borrowing levels were included in the agreement, the spokesman said, adding that the size and timing of the borrowing this year will depend on developments in the current account, which comprises merchandise trade, services and certain unilateral capital transfers.

The government's annual economic report, issued last week, foresees the current account anywhere between narrowing into balance and recording a deficit of 10 billion Deutsche marks. Provisional figures for last year show West Germany with a shortfall of 17.5 billion DM.

Saudi Arabia undertook in January, 1981, to lend funds to Bonn at about the same level as in 1980, when West Germany borrowed 5.5 billion DM directly, plus an undisclosed amount of indirect borrowing.

Dollar Surges Against Mark on Rate Outlook

From Agency Dispatches

LONDON — The dollar surged to its highest level in five months against the Deutsche mark on Tuesday because of expectations that U.S. interest rates will remain high.

In Frankfurt, the midday fixing set the dollar at 2.3750 DM, the highest level since Sept. 11. Dealers said the Bundesbank did not intervene by selling the U.S. currency, which later edged back to London to 2.3745 DM, compared with 2.3580 DM at Monday's close in London. In New York at midday, the mark had slid to 2.3720.

The dollar's overall strength reflected higher deposit rates for Eurodollars after President Reagan presented his budget to Congress. The budget envisages large government deficits which many analysts fear will result in continuing high domestic U.S. interest rates. Dealers attributed the late retreat to news that Saudi Arabia is to continue helping West Germany finance its current-account shortfall.

Dealers said there was considerable nervousness about the potential for central bank intervention to halt the dollar's rise. One dealer noted there was no positive statement out of the latest monthly central bankers' meeting in Basel to deter dollar buying, or to suggest that the Europeans and Japan are making any impression on Washington with their pleas for lower interest rates.

Dealers said U.K. interest rates also helped the pound against most European currencies, although sterling dropped later in the day to \$1.8435 from \$1.8548 at the start of business and \$1.8615 Monday night. Sterling's decline reflected the markets' response to news of worse than expected U.K.

monetary growth in January, analysts said.

Eurodollar interest rates increased by a quarter percentage point for one- and three-month deposits and by half a point for six-month money, which was quoted at 16 percent.

An immediate impact of the uptick in interest rates was felt on the Eurobond market where Cordoba Power & Light, which Monday night launched a \$60-million, seven-year issue bearing an indicated coupon of 15 percent, was forced on Tuesday to raise the coupon to 16 1/4 percent. The price of the issue will be set in light of market conditions and lead manager Merrill Lynch said Tuesday that under present conditions it would be sold at a discount to yield 16 1/2 percent.

Also on offer is a \$400-million floating rate note for Sweden. The seven-year notes can be redeemed after five years if noteholders

choose to do so. Interest will be set at a quarter-point over the average bid-offered London interbank rate.

Meanwhile, the West German central bank market subcommittee late Monday set a two-month calendar for new DM-denominated Eurobonds totaling a heavy 2.3 billion DM.

The first of the new issues is a 50 million DM private placement for South African Transport System, which is selling four-year paper priced to yield 10 1/2 percent.

In the public market, Australia is offering 200 million DM of nine-year paper priced at par and bearing a coupon of 9 1/2 percent — terms identical to those Australia achieved late last year.

Later this week, Denmark is scheduled to launch a 200 million DM issue for Denmark and next week, the EEC is scheduled to tap the market for 200 million DM.

CURRENCY RATES

Interbank exchange rates for Feb. 9, 1982, excluding bank service charges.

	\$	£	D.M.	F.F.	N.L.	CHF	S.F.	S.P.	S.R.
American Express	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of America	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Montreal	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Paris	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Tokyo	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of West Germany	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Zurich	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of London	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of New York	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Spain	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Sweden	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Switzerland	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Italy	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Greece	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Belgium	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Netherlands	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Denmark	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Norway	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Portugal	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Ireland	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Austria	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Czech Republic	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Slovakia	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Hungary	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Poland	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Yugoslavia	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Bulgaria	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Romania	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of USSR	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38

	\$	£	D.M.	F.F.	N.L.	CHF	S.F.	S.P.	S.R.
Bank of Japan	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Korea	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Taiwan	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Hong Kong	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Singapore	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Malaysia	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Philippines	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Indonesia	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Thailand	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Cambodia	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Laos	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Vietnam	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Cambodia	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Laos	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38
Bank of Vietnam	2.0035	4.8716	109.74	4.12	0.2054	15.517	6.45	134.57	25.38

Row Looms On U.S., EEC Trade Dispute

WASHINGTON — The United States and the EEC failed to reach a negotiated settlement on trade disputes involving steel and agricultural products, officials of both sides said Tuesday.

At the conclusion of two days of talks between the two sides, U.S. Trade Representative Bill Brock said Washington will press ahead under the General Agreement on Tariffs and Trade with a number of complaints over EEC subsidies for agricultural products. He also told a press conference the government will proceed with an investigation of U.S. steelmakers' allegations to move trade practices by EEC steelmakers.

The investigation into the steel import question is now before the U.S. International Trade Commission.

Mr. Brock said the two days of talks produced a better level of understanding between the two sides but would not result in any specific changes in policy. "The problems remain in steel and agriculture," he said.

He said he is not sure a settlement can be reached on the steel matter until final decisions are reached by the International Trade Commission and then the Commerce Department on the merits of the U.S. steelmakers' complaints.

EEC Vice President Etienne Davignon told reporters that European aid to the steel industry is permitted under GATT rules. "Our highest priority is to win the case," he said when asked if the Europeans wanted a negotiated settlement with the United States.

On farm trade matters, Agriculture Secretary John Block expressed concern that EEC subsidies are resulting in lost markets for U.S. exports. He said the EEC plans to raise its agricultural prices down to world levels and that further talks will be held on the specifics of the EEC plan.

Wilhelm Haferkamp, an EEC vice president, said the community's agricultural subsidies are allowed under the Tokyo Round of the multilateral trade negotiations.

Mr. Haferkamp said it will be up to GATT to decide if the EEC's farm subsidies have resulted in the EEC capturing an inequitable share of world markets.

The U.S. complaints are against EEC subsidies for pasta, flour, poultry, sugar and canned fruits.

BUSINESS NEWS BRIEFS

Cockerill's Shipyard Unit Declared Bankrupt

ANTWERP — Belgium's second largest shipyard, Cockerill Yards in Hoboken near Antwerp, was declared bankrupt by the Antwerp commercial court Tuesday.

The shipyard, employs 3,000 workers, but its slowdown would also affect another 7,000 subcontractors. The company, 85-percent-owned by Cockerill-Sambre in Liege, had asked for 1.5 billion Belgian francs (\$33.7 million) in government aid, half of it to cover its losses.

The Economics Ministry was ready to help but on condition that wages at the shipyard be reduced by between 110 and 180 million francs. This was rejected by the workers last week.

Japan Firms Say Poland Canceled Fiber Plant

TOKYO — C. Itoh & Co. and Teijin Ltd. said Tuesday that Poland had notified them it was canceling plans to build a polyester fiber plant. The deal, arranged in 1979, was valued at 25 billion yen (\$106 million). The Japanese companies said one third of the equipment and machinery for the project had been shipped, with about 8.4 billion yen already paid for. The plant was due to start production in 1983.

AMC Completes Preferred Sale to Renault

SOUTHFIELD, Mich. — American Motors Corp. said it completed a previously announced agreement to sell 1.16 million preferred shares to Renault at \$28 each.

American Motors said the sale increased Renault's holding of preferred to about 2.77 million shares. It also issued an option to the French automaker to acquire 4.64 million additional common shares at \$7 each. Renault already owns 46.4 percent of American Motors' 56.9 million common shares outstanding.

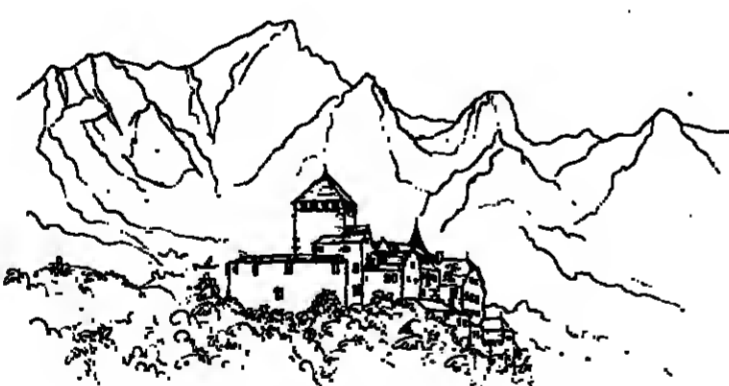
American Motors said it issued an option to Renault last July to

NYSE Nationwide Trading Closing Prices Feb. 9

Tables include the nationwide prices up to the closing on Wall Street.

Market Summary									
Feb. 9, 1982									
Dow Jones Averages									
Industrial	2,811.14	10.14	2,811.14	10.14	2,811.14	10.14	2,811.14	10.14	2,811.14
Transportation	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
Utilities	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
NYSE Most Actives									
IBM Corp.	160.00	1.00	160.00	1.00	160.00	1.00	160.00	1.00	160.00
AT&T	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
GE	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
NYSE Index	2,811.14	10.14	2,811.14	10.14	2,811.14	10.14	2,811.14	10.14	2,811.14
Standard & Poors Index	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
AMEX Most Actives									
Goldman Sachs	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
AMEX Stock Index	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
Odd-Lot Trading in N.Y.									
IBM Corp.	160.00	1.00	160.00	1.00	160.00	1.00	160.00	1.00	160.00
AT&T	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
GE	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
Dow Jones Bond Averages									
Industrial	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
Transportation	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
Utilities	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14

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NYSE Nationwide Trading Closing Prices Feb. 9									
Feb. 9, 1982									
Dow Jones Averages									
Industrial	2,811.14	10.14	2,811.14	10.14	2,811.14	10.14	2,811.14	10.14	2,811.14
Transportation	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
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NYSE Most Actives									
IBM Corp.	160.00	1.00	160.00	1.00	160.00	1.00	160.00	1.00	160.00
AT&T	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
GE	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
NYSE Index	2,811.14	10.14	2,811.14	10.14	2,811.14	10.14	2,811.14	10.14	2,811.14
Standard & Poors Index	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
AMEX Most Actives									
Goldman Sachs	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
AMEX Stock Index	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
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IBM Corp.	160.00	1.00	160.00	1.00	160.00	1.00	160.00	1.00	160.00
AT&T	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
GE	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00
Dow Jones Bond Averages									
Industrial	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
Transportation	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14
Utilities	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14	10.14	1,141.14

(Continued on Page 10)

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Representative: Mr. Wolfram Hauss

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Tables include the nationwide prices up to the closing on Wall Street.

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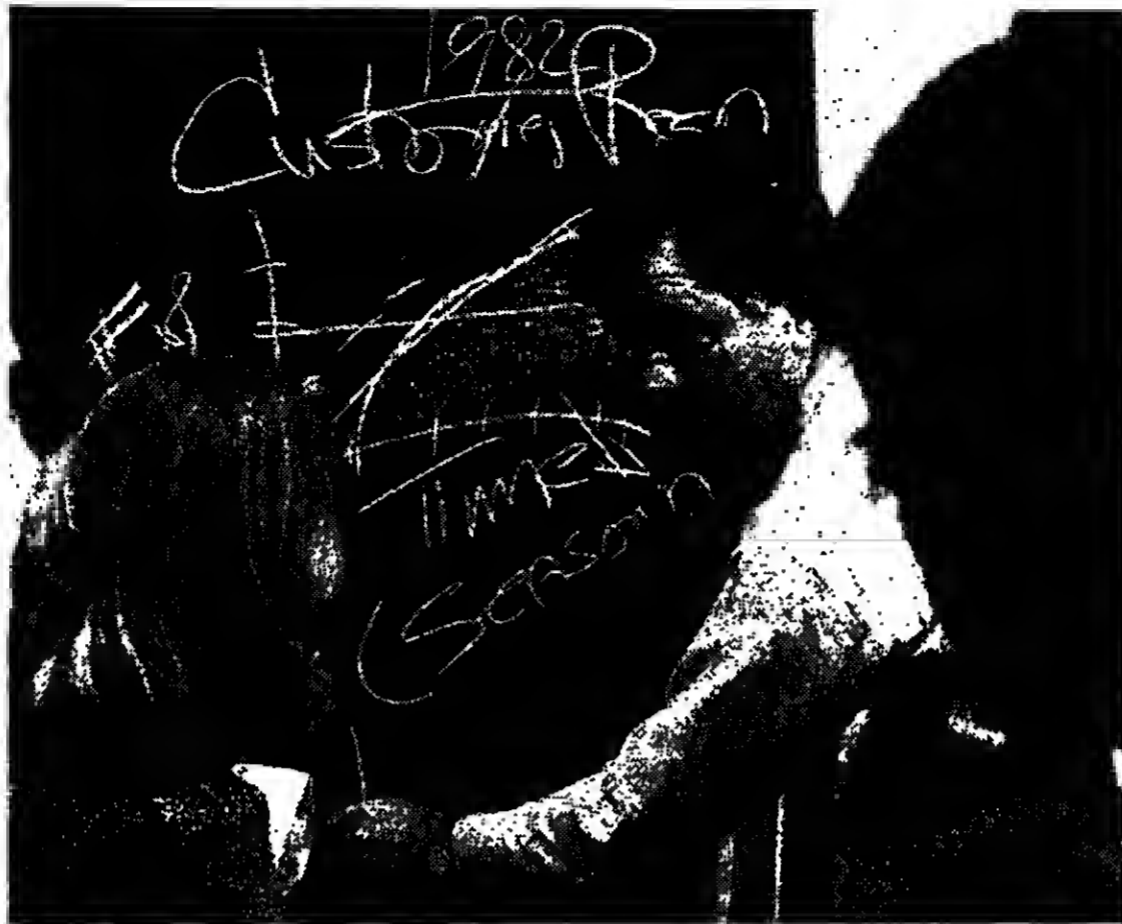
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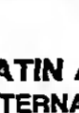
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reaches more business executives			
EUROPE	publication	country	readership
INTERNATIONAL MANAGEMENT	monthly	Multinational	227,000
ACTUALIDAD ECONOMICA	weekly	Spain	224,000
ESPANSIONE	monthly	Italy	234,000
ESPANSIONE/HARVARD	quarterly	Italy	160,000
FAKTA	monthly	Finland	51,000
FARMAND	weekly	Norway	177,000
INDUSTRIEMAGAZIN	monthly	Germany	127,000
MANAGEMENT TODAY	monthly	UK	146,000
MANEDS BØRSEN	monthly	Denmark	123,000
VECKANS AFFÄRER	weekly	Sweden	277,000
Total Audience			1,746,000
PACIFIC			
INTERNATIONAL MANAGEMENT	monthly	Multinational	274,000
AUSTRALIAN BUSINESS	alt. weeks	Australia	160,000
NIKKEI BUSINESS	alt. weeks	Japan	602,000
INTERNATIONAL INDUSTRIAL REPORT	monthly	China	1,230,000
Total Audience			2,266,000

AFRICA/MIDDLE EAST	Multinational	255,000
INTERNATIONAL MANAGEMENT	monthly in English	336,000
ALAM AL IDARAH	monthly in Arabic	591,000
Total Audience		591,000

LATIN AMERICA	Multinational	
INTERNATIONAL MANAGEMENT	monthly in Spanish	570,000

TOTAL NETWORK	Audience	5,173,000
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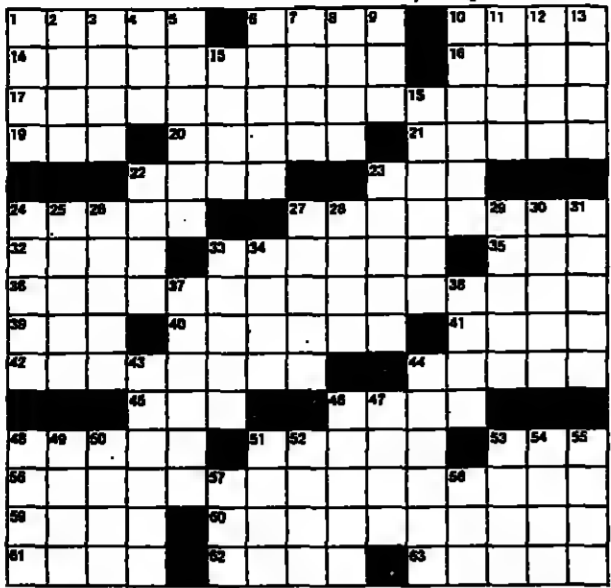
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☐ 3 months
☐ Country

Job title/profession
Company activity
Nationality

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 - 6 Spot for Zeno's lessons
 - 10 Composer of 43 operas
 - 14 Erstwhile N.Y.C. transportation
 - 18 Bancroft in "The Turning Point"
 - 17 Semitic languages
 - 19 Kind of curve
 - 20 Person born Aug. 23-Sept. 22
 - 21 Source of strength
 - 22 Apportion
 - 23 Baton Rouge team
 - 24 Leyte's neighbor
 - 27 Defames
 - 32 Kind of sch.
 - 33 Part of A.D.
 - 35 Piper follower
 - 36 Whores
 - 38 Across are spoken
 - 39 What epigrams do
 - 40 Glorifies
 - 41 Paper measure
 - 42 Porter's "In the Night"
 - 44 Confused
 - 45 Salt Lake City athlete
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- 1 Tennis ace
 - 2 Hays
 - 3 Forts into a disk
 - 4 Comparative suffix
 - 5 Heroic Kipling soldier
 - 6 Kind of crow or head
 - 7 File's projecting point
 - 8 Church calendar
 - 9 "lonely cloud"
 - 18 Shrimp
 - 21 Both: Prefix
 - 22 Send out

WEATHER

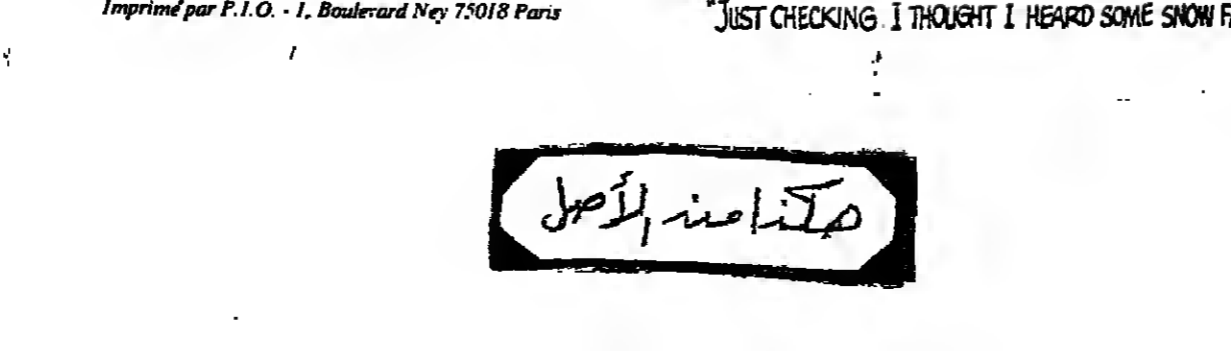
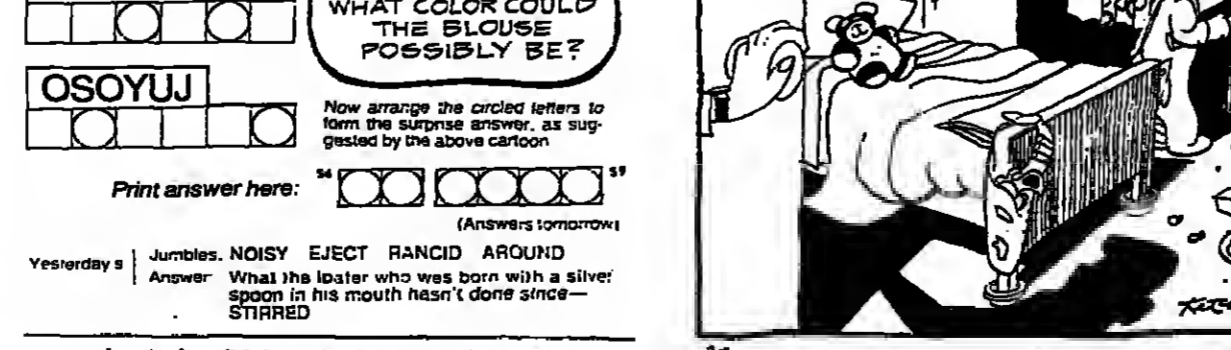
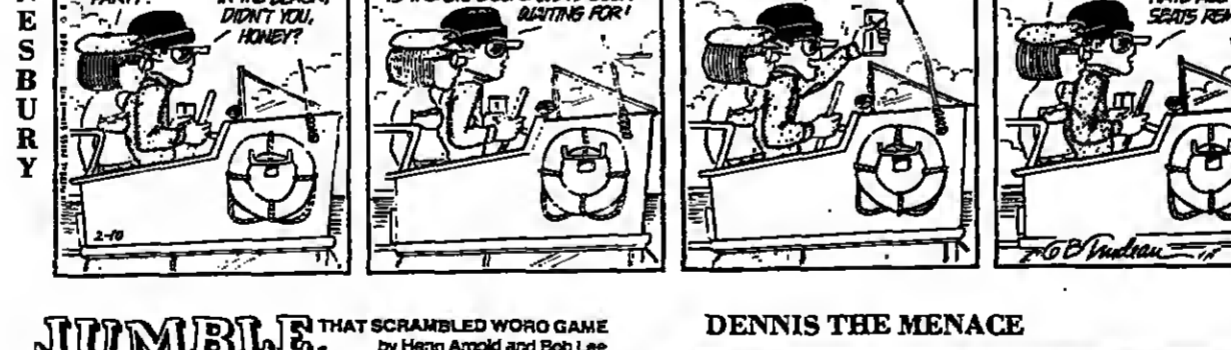
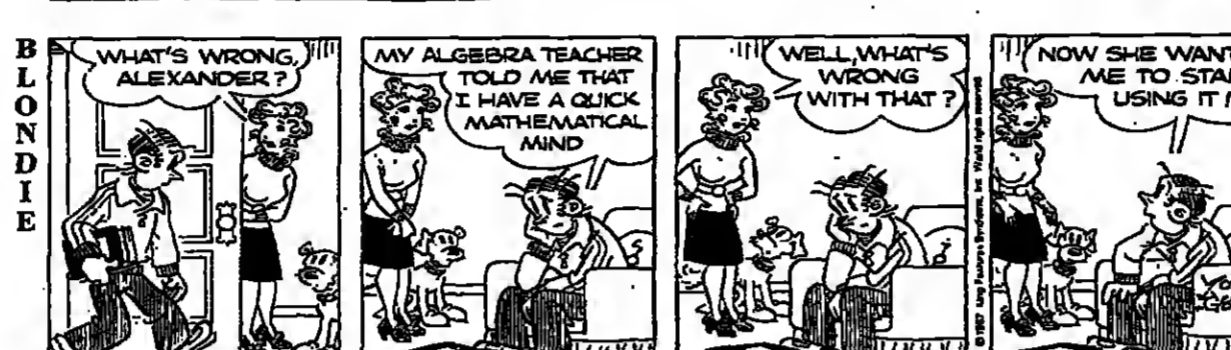
	HIGH	LOW		HIGH	LOW	
	C	F	C	F	C	
ALBANY	16	11	55	Foggy	12	54
ALBUQUERQUE	18	14	55	Fair	28	68
ALBUQUERQUE	18	14	55	Fair	28	68
ALBUQUERQUE	18	14	55	Fair	28	68
ALBUQUERQUE	18	14	55	Fair	28	68
ALBUQUERQUE	18	14	55	Fair	28	68
ALBUQUERQUE	18	14	55	Fair	28	68
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ALBUQUERQUE	18	14	55	Fair	28	68
ALBUQUERQUE	18	14	55	Fair	28	68
ALBUQUERQUE	18	14	55	Fair	28	68
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Readings from the previous 24 hours.

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February 9, 1982

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(1) Bank of America	SP 62.35	(1) Bank of America
(2) Bank of America	SP 62.35	(2) Bank of America
(3) Bank of America	SP 62.35	(3) Bank of America
(4) Bank of America	SP 62.35	(4) Bank of America
(5) Bank of America	SP 62.35	(5) Bank of America
(6) Bank of America	SP 62.35	(6) Bank of America
(7) Bank of America	SP 62.35	(7) Bank of America
(8) Bank of America	SP 62.35	(8) Bank of America
(9) Bank of America	SP 62.35	(9) Bank of America
(10) Bank of America	SP 62.35	(10) Bank of America



BOOKS

THOMAS MANN
The Making of an ArtistBy Richard Winston, 325 pp. \$17.95
Alfred A. Knopf, 201 East 52d Street, New York, N.Y. 10022.

Reviewed by Christopher Lehmann-Haupt

RICHARD WINSTON, the respected translator and biographer, was just getting to some of the most interesting parts of Thomas Mann's life when he died of lung cancer in December, 1979. He was approaching Mann's composition of "The Magic Mountain," which many consider the German novelist's masterpiece. According to Clara Winston's tantalizing Afterword, shortly before her husband died, he "outlined to me where he was going."

"In his writing," she explains, "he had reached the point of 'Death in Venice,' which was the place to deal with a delicate, perhaps crucial, biographical question," by which one assumes she means whether Mann acted out his manifest homosexual impulses. "Of course it was, like much else in Thomas Mann's life, ambiguous. But Dick thought he could put the matter in perspective, for he had evidence from all the periods in Mann's life that had to be balanced. But he was never to muster these arguments."

So one is bound to feel disappointed with the incompleteness of "Thomas Mann: The Making of an Artist, 1875-1911." One inevitably feels frustrated that Winston fails to get beyond the 36th year of Mann's 80-year life, and that he barely touches on such masterworks as "The Magic Mountain," "Joseph and His Brothers" and "Doctor Faustus." One can't help sensing that the major chords of this composition were yet to be sounded.

"Sleep and Forgetfulness"

All the same, one can't complain too much. Some important notes have been rung. If Winston doesn't get to "The Magic Mountain," he treats many of the major themes of that novel — Mann's lifelong attraction to "sleep and forgetfulness" and his profound association of love, disease, death and creativity — and links them to their sources in his life. While on this subject, Winston makes the interesting point that in real life Mann was probably not so melancholy or obsessed with death as some of his early stories may have made him seem. "A mortal outcome was a convention of the period, as well as the easiest solution for an impractical writer."

If Winston never answers that "delicate, perhaps crucial, biographical question" that his wife sidesteps in her Afterword, he examines Mann's homosexuality more candidly than any other has before. "Never in his whole life was he to admit openly to that defect," Winston records, "except in the deep privacy of his diaries. Yet he nursed his secret as a source of pleasure, of interest, of creative power." And, fascinatingly enough, Mann recorded in his diaries that his early conservatism was "an expression of his sexual inversion," by which he apparently meant that the writing of his famous essay "Reflections of an Unpolitical Man" was influenced by his deep relationship with a homosexual friend.

And elsewhere, Winston sheds important light on such subjects as Mann's complicated philo-Semitism; his attitudes toward borrowing material for his fiction from real life; his self-styled "neurosthenia" and its pos-

Christopher Lehmann-Haupt is on the staff of The New York Times.

Best Sellers

The New York Times

This list is based on reports from more than 1,400 bookstores throughout the United States. Weeks ending Feb. 7-13, 1982.

FICTION		
Rank	Title	Weeks on list
1	AN INDECENT OBSESSION, by John Updike	16
2	THE HOTEL NEW HAMPSHIRE, by John Irving	21
3	SPRING JACON, by Boris Pasternak	12
4	MARCO POLO, IF YOU CAN, by William F. Buckley Jr.	12
5	NOBLE HOUSE, by James Clavell	40
6	THE DEANS DECEMBER, by Saul Bellow	25
7	CLUB, by Stephen King	13
8	NO TIME FOR TEARS, by Cynthia Freeman	13
9	MAGNETIC, by K.W. Williams	10
10	RABBIT, by John Updike	16
11	REMEMBRANCE, by Danielle Steel	14
12	NORTH AND SOUTH, by John Galsworthy	1
13	GORKY PARK, by Martin Cruz Smith	44
14	RED DRAGON, by Thomas Harris	4
15	A COURT OF MIRACLES, by Michael Chabon	1
NONFICTION		
1	A LIGHT IN THE ATTIC, by Shel Silverstein	14
2	A FEW MINUTES WITH ANDY ROONEY, by Andrew A. Rooney	9
3	FATHER, by Carl Sagan	14
4	JANE FONDA'S WORKOUT BOOK, by Jane Fonda	6
5	THE LORD GOD MADE THEM ALL, by James Hervey	40
6	LAD BACK IN WASHINGTON, by Art Buchwald	7
7	THE WALK, by John Updike	7
8	AT DAWN WE SLEPT, by Gordon W. Friesen	9
9	NEVER SAY DIET BOOK, by Richard Simmons	43
10	THE CINDERELLA COMPLEX, by Colette Dowling	22
11	HOW TO MAKE LOVE TO A MAN, by Alexander Henry	14
12	ELVIS, by Albert Goldman	12
13	FROM BAUBAUS TO OUR BOULEVARD, by Thomas Mann	13
14	THE BREAKS OF THE GAME, by...	14

BRIDGE

By Alan Truscott

SUPPOSE that the contract is three no-trump and there are eight fast tricks available. If the declarer runs his tricks and then looks round for salvation, he is probably a foolish beginner who has thereby established tricks for the defense.

But in some rare circumstances the play of the foolish beginner can be the play of the wise expert. Consider, for example, the diagrammed deal.

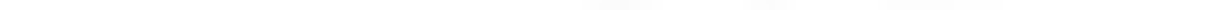
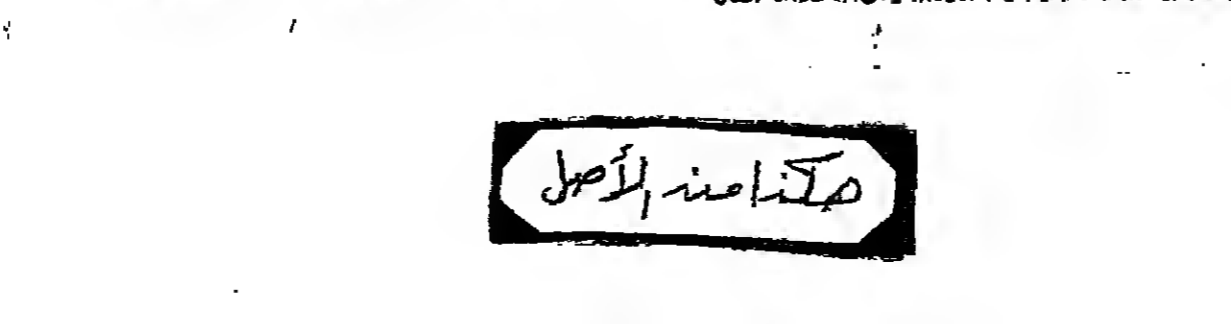
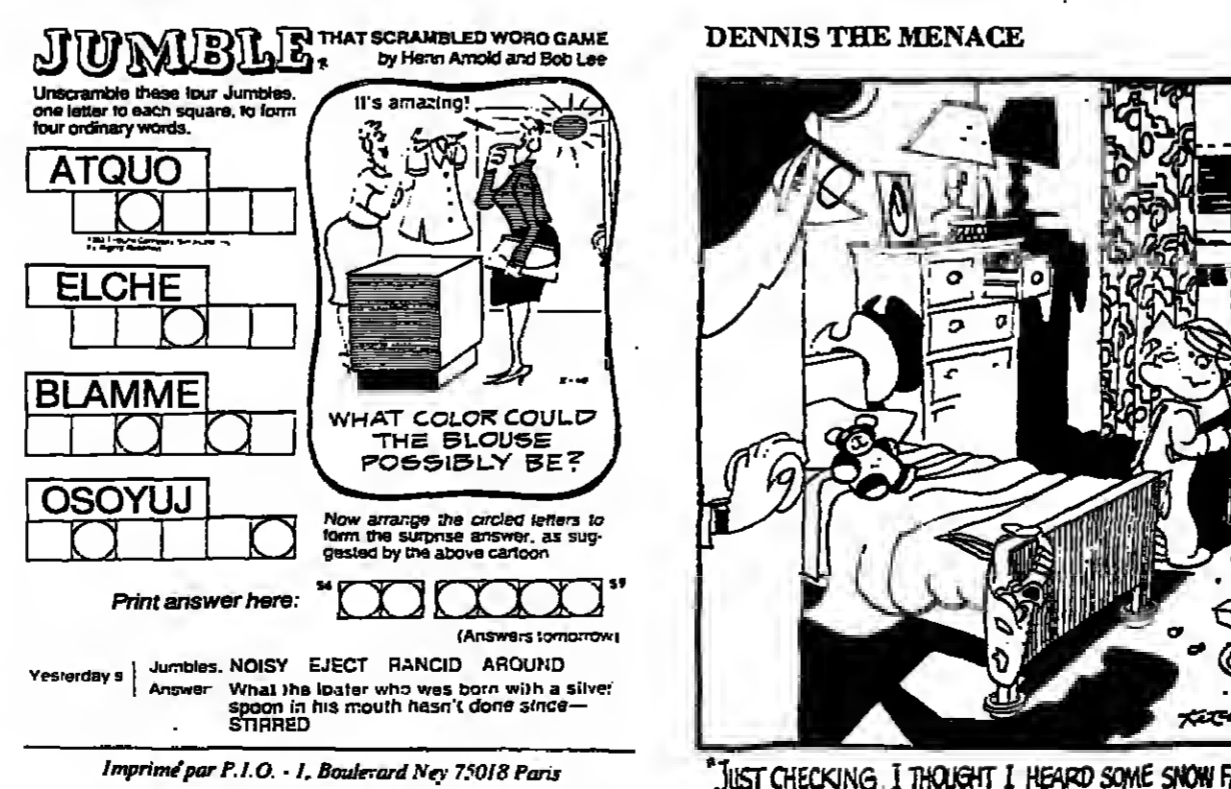
Looking at the North-South cards, one would choose to play five diamonds, which succeeds easily against any defense. The spade suit provides for a club discard in the North hand, and the defenders can only take their two aces.

NORTH		EAST	
♠ A1094	♠ A875	♠ A875	♠ A875
♥ Q95	♥ Q95	♥ Q95	♥ Q95
♦ A84	♦ A84	♦ A84	♦ A84
♣ K7	♣ K7	♣ K7	♣ K7
♠ A1094	♠ A875	♠ A875	♠ A875
♥ Q95	♥ Q95	♥ Q95	♥ Q95
♦ A84	♦ A84	♦ A84	♦ A84
♣ K7	♣ K7	♣ K7	♣ K7
♠ A1094	♠ A875	♠ A875	♠ A875
♥ Q95	♥ Q95	♥ Q95	♥ Q95
♦ A84	♦ A84	♦ A84	♦ A84
♣ K7	♣ K7	♣ K7	♣ K7

On the lead of the last diamond, hearts were thrown by East and South. West was now in trouble. If he threw a club, South would have winners to cash in that suit. If he threw a spade, South could lead hearts safely. So he gave up his last heart, without any revealing hesitation. But in doing so he severed a vital line of communication for the defense.

If South had realized what he had achieved, he would now have played three rounds of clubs, end-playing West. The spade king would have scored together with an extra club, providing an overtrick.

But, alas, South missed his opportunity. He led a heart and East was able to win and play spades. The heart play could have been right, for West could have begun with the heart ace and only a doubleton club. But the odds were against it, for with such a hand the overall odds would have been two spades rather than a pre-emptive two spades.



A Little Colette Music With Diana Rigg

PEOPLE: *Muskie in 'Good Spirits' After Spinal Operation*

Edmond S. Muskie is in "good condition and in good spirits" after being shot in the back at Bethesda, Md., Naval Medical Center. A hospital spokesman said an enlarged disc was removed from Muskie's spine. Muskie, a former Democratic senator from Maine, former secretary of state and 1972 presidential candidate, is expected to remain in the hospital for about two weeks. His back problem stemmed from an accident in the early 1960s, shortly before he was elected governor of Maine. He fell through a stair railing while doing repairs at his Waterville home and broke his back. . . . The pop singer Chubby Checker has been released from a hospital in Columbus, Mo., after a bout with pneumonia. Checker's manager said the singer planned to resume his tour. Checker, famous for his first singing for the early 1960s, was performing for two concerts in Columbia last week when he fell ill.

The Soviet Union claims that the first man to reach the North Pole was a researcher from the Leningrad Academy of Sciences, Pavel A. Gorkylenko. The Sunday Times of London said the claim is contained in a recent issue of the Soviet journal Merchant Shipping. On April 6, 1909, Commodore Robert E. Peary, accompanied by an assistant and four Eskimos, reached the proximity of the pole and marched in a radius of 42 miles (67 kilometers) to establish his claim on behalf of the United States. But the Guinness Book of Records says that, because of inaccuracy in former methods of determining latitude, neither Peary's claim nor the 1908 claim of another U.S. explorer, Frederick A. Cook, is "subject to positive proof." Guinness says the first "incontestable" claimant was the Norwegian P. E. Nordenskiöld, who on April 19, 1906, when Ralph Bidiar of the United States led three companions to the spot on snowmobiles. The achieve-

"Suppose for example you want to get the Russians out of Afghanistan," said insiders. "We don't have to fool around with ineffective grain embargoes and Olympic boycotts like Carter did. We just hook into the satellite and tell Tom Snyder to stand by in the studio.

"Of course we don't want to be inhuman. We get Moscow on the red telephone first. We tell them if they don't clear out of Afghanistan we start beaming Snyder. If they still don't move, we give them a warning by beaming Snyder onto one of the satellites, East Germany or Czechoslovakia. To show we

Around that time, she became a divorced British actress in London. Her marriage to the Israeli artist Menachem Gueffen collapsed 11 months after its stormy start.

A voracious reader since childhood, she has gotten around to compiling a book of her own, due out in England next fall under the title "No Turn Unstowed."

A year in the making, it is mostly a collection of nasty-but-funny reviews of actors singled out for pummeling by critics. Most were sent in by British players after Rigg wrote to them and asked for sample nasties.

A top actor offered this one about himself: "Sir John Gielgud has the most meaningless legs imaginable."

One of Rigg's closest friends dispatched this hosanna: "Glennda Jackson has a face to launch a thousand drooges."

She noted that very few American actors she asked sent her their awful notices. "I only got them from people with secure stage backgrounds, people like Katharine Hepburn, Jean Stapleton, Stacy Keach. The others, their secretaries wrote and said, 'X is too busy on meaningful projects.' Or whatever."

ment was verified by a U.S. Air Force weather plane. The Sunday Times said that, according to the Soviet magazine, Gordiyenko's expedition planted the Soviet flag at the pole — "give or take 300 yards" — on April 23, 1948, in the course of taking routine ice-thickness measurements in the area.

* * *

Daniel Barenboim, the Argentine-born pianist and conductor, received the third annual Beethoven Society Medal during an all-

* * *

The auto racer Bobby Unser, who eventually won the Indianapolis 500 last year, will receive the "Bonehead of the Year" award from the Bonehead Club of Dallas. A club spokesman said Unser was chosen because he was the first person ever to win the Indianapolis 500 twice in one year. He crossed the finish line first, was disqualified, then was reinstated as winner by a court ruling seven

"Not until they're on their repressive Red knees gibbering for mercy," came the reply. Then came the terrible order to TV command headquarters: "Hit them with *Mountain Meadows*."

The administration's ultimate aim, of course, is to make Moscow renounce Marx and embrace capitalism. For this purpose the White House is prepared to use television weapons capable of making whole empires beg for mercy. *Insiders* will not reveal what these weapons are. Madison Avenue sources, however, say Mike Wallace and Liza Minnelli are under orders to report at the studio on 20 minutes' local business.

The last, she said, got fine notices from Rachel, her 4-year-old daughter, as well as from Rachel's father, a British businessman named Archie Stirling, with whom Rigg has lived for seven years.

Rigg was born in 1928 in the Yorkshire town of Doncaster. She recalls always loving to act, though in the early years it was only a fantasy.

She and her brother, Hugh, now a Royal Air Force test pilot, spent their childhood in India, where their father was a colonial official for the railway system. No theater then. After the family returned to England, though, a kindly teacher noticed her knack for acting and persuaded her parents that it might be her calling. The parents were properly alarmed.

But Rigg went to London's

Why so few films? "Haven't been offered many, not many good ones. I've never actually clicked on film. It's curious, because 'The Avengers' was on film and I clicked in that. I could have done it at one time, yes, but then I did a couple of rubbishy films. And by that time the name value had dissipated and I was never offered anything after-

There is also a review of Diana Rigg in the book, a notation by John Simon, the acerbic New York critic, on "Abelard and Heloise," in which she briefly appeared nude. "He said something to the effect that 'Diana Rigg is built like a brick mausoleum with insufficient flying

see failure "as an experience we've all had — some of us more often than others — on the way to success. . . . When you can freely quote a bad notice and it is funny, then it's an exorcism. It proves you're above it. You are no longer influenced by it. You're no longer nurturing the

Daniel Barenboim, the Argentine-born pianist and conductor, received the third annual Beethoven Society Medal during an all-

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